Directorate General of Foreign Trade
(PRC-section)

Minutes of the Policy Relaxation Committee Meeting held under the Chairmanship of DGFT Shri A.K. Bhalla,Director General of Foreign Trade on 03.01.2017

Meeting No. 28/AM17 held on 03.01.2017 at 03:00 PM

The following Members were present in the meeting:

1.	Shri K.C. Rout	Addl. DGFT
2.	Shri Jaikant Singh	Addl. DGFT
3.	Shri Darshan Singh	Addl. DGFT
4.	Shri J.V. Patil	Addl.DGFT
5.	ShriS.B.S Reddy	Addl.DGFT
6.	Shri N. K. Srivastava	Addl. DGFT
7.	Shri Jay Karan Singh	Jt. DGFT
8.	Shri: AkashTaneja	Jt.DGFT
9.	Shri: Rakesh Kumar	Jt.DGFT
10.	Shri: Lokesh H.D.	Jt.DGFT
11.	Shri S.K. Mohapatra:	Dy. DGFT

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

Case No.1: M/s. Koshambh Multitred Pvt. Ltd., Vadodara. (P.H. Case)
F.No. 01/60/162/915/AM16/PRC
PRC Meeting No. 28/AM17 dated 03.01.2017
Subject: - Revalidation of DFIA No.3410039663 dt. 28.03.2014.

In terms of Para 2.59 of FTP, 2015-20, the applicant was afforded personal hearing before the Policy Relaxation Committee meeting held on 03.01.2017. Shri Rajendran K.R., Export Manager and Shri Shiv Kumar Sharma, Deputy Manager of M/s Koshambh Multitred Pvt. Ltd., Vadodara appeared before the committee. During the hearing they made the following oral submissions in addition to the written submissions, as under:

i. That the DFIA No.3410039663 was issued on 28.03.2014, with 12 months validity for import.
ii. That exports were made during May 2014.
iii. That export proceeds realised in July - October 2014.
iv. That application was made for enhancement / amendment on 16.12.2014 to RA.
v. The DFIA was received by them after enhancement / amendment on 23.12.2014.
vi. The application for EODC was made to RLA on 06.01.2015.
vii. Deficiency Letter (DL) was issued by RLA on 06.02.2015 (i.e. after a month).
viii. DL rectified by the firm on 10.02.2015 (within 4 days).
ix. EODC / Transferability granted by RLA on 26.03.2015 (i.e. after 45 days).
x. DFIA received by the firm from RLA counter on 30.03.2015 (i.e. after 50 days).
xi. DFIA was valid for import upto 31.03.2015.
xii. They therefore requested to allow revalidation of Authorisation since they could not utilise it due to delay at the end of RA, Vadodara in processing of their request.

Decision: The Committee observed that the applicant had submitted application for EODC/transferability on 06.01.2015. However, RA raised unwanted deficiency calling for original shipping bills despite the fact that as the applicant had already submitted original S/bs along with application for duty credit scrip under FMS. The EODC was granted by RA finally on 26.03.2015 leaving no time to make imports. It is pertinent to mention here that Para 9.11(g) of HBP v1 2009-14 , provides 15days time for processing of such request. Taking into consideration the facts of the case, the Committee decided to revalidate the Authorisation No.3410039663 dt. 28.03.2014 for 3 months from the date of endorsement. The applicant is directed to get the endorsement on Authorisation from RA within one month from the date of uploading of the minutes on the Directorate's website.

(Action: RA, Vadodara/Applicant)

Case No.2: M/s. KoshambhMultitredPvt. Ltd., Vadodara. (P.H. Case)
F.No. 01/60/162/907/AM16/PRC
PRC Meeting No. 28/AM17 dated 03.01.2017
Subject:- Revalidation of DFIA No.3410039664 dt. 28.03.2014.

Decision: In terms of Para 2.59 of FTP, the applicant was afforded personal hearing before the Policy Relaxation Committee meeting held on 03.01.2017. Shri Rajendran K.R., Export Manager and Shri Shiv Kumar Sharma, Deputy Manager of M/s KoshambhMultitredPvt. Ltd., Vadodara appeared before the committee. During the hearing they made the following oral averments in addition to the written submissions as under:

i. That the DFIA was issued on 28.03.2014, with 12 months validity for import.
ii. That exports were made during May 2014.
iii. That export proceeds realised in July - October 2014.
iv. That application was made for enhancement / amendment on 16.12.2014.
v. The DFIA was received duly enhanced / amended on 23.12.2014.
vi. The application for EODC was made to RLA on 06.01.2015.
vii. DL was issued by RLA on 06.02.2015 (i.e. after a month).
viii. DL rectified by the firm on 10.02.2015 (within 4 days).
ix. EODC / Transferability granted by RLA on 26.03.2015 (i.e. after 45 days).
x. DFIA received by the firm from RLA counter on 30.03.2015 (i.e. after 50 days).
xi. DFIA was valid for import upto 31.03.2015.

Decision: The Committee observed that the applicant had submitted application for EODC /transferability on 06.01.2015. However, RA raised unwanted deficiency calling for original shipping bills despite the fact that the applicant had already submitted original S/bs along with application for duty credit scrip under FMS. The EODC was granted by RA finally on 26.03.2015 leaving no time to make imports. It is pertinent to mention here that Para 9.11(g) of HBP v1 2009-14, provides 15days time for processing of such request. Taking into consideration the facts of the case, the Committee decided to revalidate the Authorisation No.3410039664 dt. 28.03.2014 for 3 months from the date of endorsement. The applicant is directed to get the endorsement on Authorisation from RA within one month from the date of uploading of the minutes on the Directorate's website.

(Action: RA, Vadodara/Applicant)

Case No.3: M/s. Koshambh Multitred Pvt. Ltd., Vadodara. (P.H. Case)
F.No. 01/60/162/639/AM17/PRC
PRC Meeting No. 28/AM17 dated 03.01.2017
Subject:- Revalidation of Duty Credit Scrip (FMS) No.3410037547 dt. 31.07.2013.

Decision: In terms of Para 2.59 of FTP, the applicant was afforded personal hearing before the Policy Relaxation Committee meeting held on 03.01.2017. Shri Rajendran K.R., Export Manager and Shri Shiv Kumar Sharma, Deputy Manager from M/s Koshambh Multitred Pvt. Ltd., Vadodara appeared before the committee. During the course of hearing they made the following oral averments in addition to the written submissions as under:

1. The above duty credit scrip was issued to the applicant by RA, Vadodara on 31.07.2013. FMS licence was sent to port for registration purpose on 12.08.2014. The original Duty Credit Scrip (FMS) was lost by their Clearing Agent (CHA) on 14.08.2014. FIR was lodged with local Police Station reporting loss of original duty credit scrip (FMS) on 01.09.2014, which was issued by local Police Station on 19.09.2014.
2. Application was made by them for issue of duplicate Duty Credit Scrip (FMS) on 26.09.2014 but query was raised by RA and they were advised to obtain utilization certificate from Customs vide a Deficiency letter dated 24.11.2014 which was after about 2 months.
3. Same day on 24.11.2014, applicant claims to have made application for issue of Non-Utilisation Certificate to Mundra Customs which, according to them was received by them on 10.12.2014 (after 15 days) and, thereafter, applicant submitted the same to RA on 15.12.2014.
4. Cancellation letter for lost Duty Credit Scrip (FMS) was issued by RA on 31.12.2014 (after 15 days). Duplicate FMS was issued by RA on 09.01.2015 (after 10 days).
5. As per applicant, they made application to Mundra Customs for registration of duplicate FMS on 22.01.2015 which was registered with Mundra Custom on 29.01.2015.
6. Duplicate FMS was valid for import upto 31.01.2015 (only 2 days). Hence, they could not utilize the scrip for import.
7. Further, the applicant has mentioned that as per Para 9.10 (XV) of HBP 2015-20 the time stipulated for disposal of application of Chapter-3 is 15 days [though as per amendments vide Public Notice No.16 dated 4.06.2015 it is 3 days] . Whereas RA, Vadodara in this case had taken 2 months' time to raise query through deficiency letter and thereafter had taken 25 days to issue cancellation letter and issuance of duplicate duty credit scrip.

Decision: The Committee observed that the duty credit scrip is a transferable instrument having specific validity. The applicant had clear option to sell/transfer it within its validity. However, it is observed that the applicant did not make any efforts to use it within initial 12 months. The said scrip was stated to have been registered with customs after one year and lost by CHA thereafter. The applicant was aware of the procedure for getting duplicate scrip but did not submit complete documents to RA in time. No case of genuine hardship is noticed in this case, as no justification for not utilising the same for 12 months is given. Hence, the Committee decided to maintain its earlier decision taken in PRC Meeting No. 19/AM17 dated 27.09.2016 and did not accede to the request.

Case No.4: M/s. B.R. Traders, Chennai. (P.H. Case)
F.No. 01/60/162/582/AM17/PRC
PRC Meeting No. 28/AM17 dated 03.01.2017
Subject:- Policy relaxation for non-mentioning "Y" in the Scheme Rewards Column in the Shipping Bill.

Decision: The applicant vide e-mail dated 03.01.2017 requested for postponement of PH on medical grounds. Accordingly the case was deferred.

Case No.5: M/s. B.R. Traders, Chennai. (P.H. Case)
F.No. 01/60/162/614/AM17/PRC
PRC Meeting No. 28/AM17 dated 03.01.2017
Subject:- Policy relaxation for non-mentioning "Y" in the Scheme Rewards Column in the Shipping Bill.

Decision: The applicant vide e-mail dated 03.01.2017 requested for postponement of PH on medical grounds. Accordingly the case was deferred.

Case No.6: M/s. Hindustan Platinum Pvt. Ltd., Mumbai. (P.H. Case)
F.No. 01/60/162/068/AM16/PRC
PRC Meeting No. 28/AM17 dated 03.01.2017
Subject:- Revalidation of Advance Authorization No.0310731763 dt. 18.04.2013.

Decision: The applicant vide e-mail dated 03.01.2017 informed that due to some unforeseen and unavoidable circumstances they were unable to travel to Delhi and attend the meeting. Accordingly the case was deferred.

(Action: PRC)

Case No.7: M/s. Hindustan Platinum Pvt. Ltd., Mumbai. (P.H. Case)
F.No. 01/60/162/051/AM16/PRC
PRC Meeting No. 28/AM17 dated 03.01.2017
Subject:- Revalidation of Advance Authorization No.0310716794 dt. 10.12.2012.

Decision: The applicant vide e-mail dated 03.01.2017 informed that due to some unforeseen and unavoidable circumstances they were unable to travel to Delhi and attend the meeting. Accordingly the case was deferred.

(Action: PRC)

Case No.8: M/s. MPD Industries Pvt. Ltd., Indore. (P.H. Case)
F.No. 01/60/162/195/AM15/PRC
PRC Meeting No. 28/AM17 dated 03.01.2017
Subject:- Request for condonation of the procedural lapse of not generating Bill of Exports against Advance Authorizations No.(1) 1110026700 dt. 24.01.2012; (2) 1110026719 dt. 30.01.2012; (3) 1110027256 dt. 11.09.2012; (4) 5610002192 dt. 23.05.2013 and (5) 5610002193 dt. 23.05.2013 for regularization purpose.

Decision: In terms of Para 2.59 of FTP, the applicant was afforded personal hearing before the Policy Relaxation Committee on 03.01.2017. Shri D.K. Singh, Advocate, Shri Sanjay Pandit, Sr. Manager and Shri Vishal Dubey, Manager (Exim) of the firm appeared before the committee. During the course of hearing they made the following oral and written submissions:

i. In the present matter, applicant had obtained Advance Authorisations to export goods to SEZ unit for the first time.
ii. They have supplied the finished goods to a single client M/s DIC Fine Chemical a SEZ Unit in Dahej Special Economic Zone through ARE – 1.
iii. At the time of filing redemption application, they came to know that while supplying the finished goods, they were required to prepare Bill of Export, which is required to be submitted along with Redemption application as per condition of Para 2(a) (ii) of ANF – 4F of HBP v2 2009-14.
iv. The supplies were made by endorsing the Advance Authorisation number on the documents like Invoice and ARE – 1.
v. The ARE – 1 is certified by the Central Excise Authority jurisdiction over factory of the firm and Customs Officer at Dahej SEZ.
vi. The Customs Officer at Dahej SEZ has issued certificate relating to the receipt of goods under Advance Authorisation by the unit in Dahej SEZ.
vii. In instant case, the firm has utilized material approximately to the extent of 60% (value and quantity wise) allowed to be imported against the Advance authorisation.
viii. That the actual value addition achieved by applicant is more than 200% in this case.
ix. 100% Export obligation by value and quantity wise has been fulfilled by them within prescribed period.
x. There are several judgments by the Finance Ministry under which the Ministry of Finance has been allowing the refund of excise duty by condoning the procedural lapse of filing Bill of Export. Hence it has been averred that benefit of excise refund towards supply made to SEZ cannot be denied on the grounds of lapse of filing Bill of Export, when the ARE-1 is endorsed by the Excise officers of the recipient SEZ Unit.
xi. In view os submissions stated in (1) to (x) it has been requested that in the instance case redemption of Authorisation on the basis of ARE-1 may be allowed by not insisting for submission of Bills of export.

Decision: The committee took note of the submissions of the applicant and deliberated on the issue in length. The Committee noted that application for redemption of Advance Authorisation is required to be submitted on ANF-4F. In the ANF-4F under Para (a) (ii) of guidelines for application (HBP, 2009-2014 Vol-I), it is categorically mentioned that exporter shall submit 'Bill of Export' along with other prescribed documents. And, in terms of Para 4.12 of FTP, exporter is required to indicate consumption of inputs in the export documents. Further, for getting incentive on supply of goods to SEZ, "Bill of Export" is a prescribed document under Rule 30 of SEZ, Rule, 2006. In view of these provisions, it becomes evident that Export obligation against an Advance Authorisation cannot be discharged without establishing nexus of duty free imported inputs [or procured indigenously against advance authorization] and resultant product supplied to the SEZ Unit. Since ARE-1 does not have such information, the committee was of the view that requirement of 'Bill of Export' cannot be dispensed with. Hence, the Committee decided to re-iterate its decision taken in Meeting No. 07/AM 15 dated 03.09.2014 directing the applicant to get the case regularised as per the provisions in Para 4.29 of HBP, 2009-2014.

(Action: Applicant/ RA, Vadodara shall initiate action as per the provisions of F.T. (DR) Act, against the applicant if they fail to get the case regularized within a month from the date of uploading of these minutes on the Directorate website.)

Case No.9: M/s. Maruti Koatsu Cylinders Ltd., Gujarat.(P.H. Case)
01/60/162/541/AM13/PRC
PRC Meeting No. 28/AM17 dated 03.01.2017
Subject:- Request for clubbing of DFIA No.3410019310 dt. 30.07.2007 with 16 DFIAs No.(1) 3410016541 dt. 24.07.2006; (2) 3410018178 dt. 26.02.2007; (3) 3410018179 dt. 26.02.2007; (4) 3410018957 dt. 13.06.2007; (5) 3410018959 dt. 13.06.2007; (6) 3410019407 dt. 13.08.2007; (7) 3410019458 dt. 20.08.2007; (8) 3410019786 dt. 08.10.2007; (9) 3410019862 dt. 17.10.2007; (10) 3410020282 dt. 10.12.2007; (11) 3410020720 dt. 30.01.2008; (12) 3410020854 dt. 19.02.2008; (13) 3410020927 dt. 28.02.2008; (14) 3410021197 dt. 14.04.2008; (15) 3410021752 dt. 07.07.2008. (16) 3410032595 dt. 16.12.2008.

Decision: The Committee noted that clubbing of DFIAs is not available in the FTP 2004 -09 as well as in FTP 2009-14 and hence the request of the applicant cannot be considered.

However, the committee was of the view that in case no imports were made against 16 DFIAs, the applicant, if so desires , has the option to make a fresh request before PRC by surrender of these 16 DFIAs for closure purpose and for accounting of shipping bills effected against the surrendered DFIAs towards exports made under DFIA No 3410019310 dt. 30.07.2007 [if there is a shortfall in fulfillment of EO against the said DFIA]. This will have to be subject to the condition that resultant product exported against the DFIAs being surrendered is same as in DFIA No 3410019310 dt. 30.07.2007 and further subject to the condition that only such exports [against DFIAs being surrendered] can be counted which are made within initial obligation period of the said DFIA No. 3410019310 dt. 30.07.2007.

(Action: RA, Vadodara/Applicant)

Case No.10: M/s. Primex Industries, Mumbai.
F.No. 01/60/162/161/AM16/PRC
PRC Meeting No. 28/AM17 dated 03.01.2017
Subject: - Revalidation of DEPB No.0310698209 dt. 12.06.2012.

Decision: The Committee noted that in its Meeting No.01/AM 17 held on 11.04.2016 a decision had already been taken to grant revalidation for 6 months, from the date of endorsement, against the DEPB No.0310698209 dt. 12.06.2012 due to non-transmission of data from DGFT server to Customs. The Minutes of the Meeting were uploaded on the website of DGFT, in early May, 2016. The applicant was informed of the decision of the Committee by e-mail dated 10.05.2016. The concerned Regional Authority was supposed to take action as per the PRC decision after calling for original DEPB and requisite fee for revalidation. However, the applicant approached the concerned RA only on 26.12.2016 and RA has sought directions on the implementation of the decision of the Committee on the request of the party.

Matter was deliberated at length and Committee noted that although there had been delay by the applicant in approaching RA Mumbai to implement the decision of PRC, but the applicant could not avail the benefit of revalidation even once. Therefore, the committee decided to grant revalidation for 3 months from the date of endorsement against the DEPB No.0310698209 dt. 12.06.2012. The applicant is hereby directed to get the endorsement on the scrip from RA within one month from the date of uploading of these minutes on this Directorate's website. No request for further revalidation against the subject DEPB shall be considered.

(Action: RA, Mumbai/applicant)

Case No.11: M/s. Mexim Adhesive Tapes Pvt. Ltd., Mumbai.
F.No. 01/60/162/371/AM17/PRC
PRC Meeting No. 28/AM17 dated 03.01.2017
Subject:- Request for extension of invalidation letter against Advance Authorisation No.0310710959 dt. 28.09.2012.

Decision: The Committee noted that in this case the applicant had obtained Advance licence and thereafter obtained Invalidation letter No 0359021266 dated 25.09.2014 from Licencing Authority to procure materials from domestic sources from M/s Jindal Poly Films Limited, village Mundegaon, Talukalgatpuri, Distt. Nasik against the Advance Authorisation No. 0310710959 dt. 28.09.2012. The FTP permits procurement of inputs from indigenous sources/ supplier instead of importing inputs from abroad. However, it is subject to the condition that the supplies are to be obtained by the Advance Authorisation (AA) within validity of the AA.The AA was valid for import till 30.09.2014. As per FTP, the validity of "Invalidation Letter" is deemed to be co-terminus with the validity of the Advance Authorisation. Therefore, the Invalidation Letter was valid till 30.09.2014 only. In the present case, supplies against Invalidation letter were made in the month of October-November, 2014 which is after the expiry of the Invalidation Letter as well as the validity of Advance Authorisation. Hence, neither the supplier nor the recipient is eligible for any benefits under deemed export.

A report was sought from the RA, Mumbai in the matter to ascertain whether Advance Authorisation issued to the Intermediate supplier (i,e M/s Jindal Polyfilms, Nasik) against said Invalidation letter has been redeemed or not. However, no satisfactory response has received. The committee, decided to call for the Licensing File of M/s Jindal Poly Films Ltd. Nasik under which Advance Authorisation was issued to the Intermediate Supplier against Invalidation Letter.

However, since the supplies were made by invalidation letter holder M/s Jindal Polyfilms Ltd to the Advance Authorisation after expiry of the validity of Advance authorisation, Committee decided to reject the request of the applicant for allowing revalidation of Invalidation Letter against the Advance Authorisation obtained by the applicant.
(Action: RA, Mumbai)

Case No.12: M/s. Mexim Adhesive Tapes Pvt. Ltd., Mumbai.
F.No. 01/60/162/370/AM17/PRC
PRC Meeting No. 28/AM17 dated 03.01.2017
Subject:- Request for extension of invalidation letter against Advance Authorization No.0310710266 dt. 25.09.2012.

Decision: The Committee noted that in this case the applicant had obtained Advance Authorisation No. 0310710959 dt. 28.09.2012 and thereafter obtained Invalidation letter No 0359021279 dated 26.09.2014 to procure materials from domestic sources from M/s Jindal Poly Films Limited, village Mundegaon, TalukaIgatpuri, Distt. Nasik and M/s Jesons Industries Ltd., Survey No 377/1/7, Zari causeway, RD Behind Stone Quarry, Kachigam, Daman(UT) against the Advance Authorisation obtained by the applicant. The FTP permits procurement of inputs from indigenous sources/ supplier instead of importing inputs from abroad. However, it is subject to the condition that the supplies are to be obtained by the Advance Authorisation (AA) within validity of the AA. The AA was valid for import till 30.09.2014. As per FTP, the validity of "Invalidation Letter" is deemed to be co-terminus with the validity of the Advance Authorisation. Therefore, the Invalidation Letter was valid till 30.09.2014 only. In the present case, supplies against Invalidation letter were made in the month of November, 2014 which is after the expiry of the Invalidation Letter as well as the validity of Advance Authorisation. Hence, neither the supplier nor the recipient is eligible for any benefits under deemed export.

A report was also sought from the RA, Mumbai in the matter to ascertain whether Advance Authorisation issued to the Intermediate suppliers (i,e M/s Jindal Polyfilms, Nasik and M/s Jesons Industries Ltd) against said Invalidation letter has been redeemed or not. However, no satisfactory response has received. The committee, decided to call for the Licensing Files of indigenous suppliers M/s Jindal Poly Films Ltd. Nasik and M/s Jesan Industries under which Advance Authorisation was issued to the said Intermediate Suppliers against Invalidation Letters.

However, since the supplies were made by invalidation letter holders i.e. M/s Jindal Polyfilms Ltd and M/s Jesons Industries Ltd to the Advance Authorisation holder after expiry of the validity of Advance authorisation, Committee decided to reject the request of the applicant for allowing revalidation of Invalidation Letter against the Advance Authorisation obtained by the applicant.
(Action: RA, Mumbai)

Case No.13: Dr.Reddys Laboratories Ltd., Hyderabad.
F.No. 01/60/162/698/AM17/PRC
PRC Meeting No. 28/AM17 dated 03.01.2017
Subject:- Request for relaxation of Policy for DEPB Claim.

Decision: The committee noted that the applicant was an EOU and opted to exit from EOU scheme to function as DTA on 14.10.2009. DC, Visakhapatnam allowed in-principle approval to the applicant to exit on the same day. Thereafter, a demand was raised on 23.12.2009 by DC Visakhapatnam for payment of duty on duty free goods imported as EOU. The applicant deposited Rs. 43.48 Crore on 25.02.2010. However, the final exit order was issued by DC, Vishakhapatnam on 09.03.2010. The applicant started importing goods on payments of duties after 01.10.2009 in pursuance of the in-principle approval and exporting resultant products under DEPB using duty paid materials. But RA, did not allow DEPB, as shipping bills indicated endorsement as export from EOU.

A report from RA, Hyderabad and DC, VSEZ was called. RA, Hyderabad has forwarded letter dated 01.02.2011 of DC, VSEZ which was written to RA, Hyderabad in response of their letter dated 04.06.2010. The DC, VSEZ has confirmed in their letter that Final

Exit order was issued after collecting duties and in respect of export effected from 23.12.2009 to 04.03.2010 no export incentives have been availed by the applicant.

Keeping in view the above facts, the committee decided the following:

i. The applicant shall submit proof to RA, Hyderabad that export effected under DEPB shipping bills were by using duty paid materials only.
ii. RA shall allow DEPB for export made from 23.12.2009 till 04.03.2010 provided applications are submitted within the time as prescribed under Para 4.46 read with Para 9.3 of HBP, 2009-2014.
iii. The applicant shall furnish an affidavit-cum-Indemnity bond duly Notorised affirming therein that in case of any loss/demurrage to the exchequer they shall refund the equivalent amount along with applicable interest without any demur.

(Action: RA, Hyderabad/Applicant)

Case No.14: M/s. Chelsea Mills, Gurgaon.
F.No. 01/60/162/311/AM17/PRC
PRC Meeting No. 28/AM17 dated 03.01.2017
Subject:- Request for clubbing of 2 Annual Advance Authorizations No.(i) 0510342264 dt. 02.01.2013 and (ii) 0510383092 dt. 28.03.2014 for redemption / regularization purpose.

Decision: The committee after due deliberation decided that the applicant may approach the concerned RA in accordance with the Public Notice No. 24/2015-20 dated 04th August, 2016. RA shall allow clubbing provided inputs imported duty free are accounted for as per SION and Minimum Value Addition of 15% is achieved by the applicant.

(Action: RA, CLA, New Delhi)

Case No.15: M/s. Chelsea Mills, Gurgaon.
F.No. 01/60/162/312/AM17/PRC
PRC Meeting No. 28/AM17 dated 03.01.2017
Subject:- Request for clubbing of 3 Annual Advance Authorizations No.(i) 0510323823 dt. 02.05.2012; (ii) 0510340469 dt. 10.12.2012 and (iii) 0510361798 dt. 02.08.2013 for redemption/regularization purpose.

Decision: The committee after due deliberation decided that the applicant may approach the concerned RA in accordance with the Public Notice No. 24/2015-20 dated 04th August, 2016. RA shall allow clubbing provided inputs imported duty free are accounted for as per SION and Minimum Value Addition of 15% is achieved by the applicant.

(Action: RA, CLA, New Delhi)

Case No.16: M/s. Steelman Industries, Ludhiana.
F.No. 01/60/162/436/AM17/PRC
PRC Meeting No. 28/AM17 dated 03.01.2017
Subject:- Revalidation of DFIA No.3010103058 dt. 01.08.2014.

Decision: The Committee noticed that the applicant has stated to have completed exports within the stipulated time and payment was also realized within time. However, the applicant was unable to get the EODC/ transferability because the applicant was unable to fetch the Shipping Bills as some of the S/bills were indicating wrong scheme of DBK due to EDI error for which the applicant followed up with EDI since December, 2015. Meanwhile the DFIA expired. Taking in view the fact that the applicant was not able to avail the benefit of DFIA due to the EDI related error, the Committee decided to revalidate the aforesaid DFIA No. 3010103058 dt. 01.08.2014 for 3 months from the date of endorsement. The applicant is directed to get the endorsement on DFIA from RA within one month from the date of uploading of these minutes on this Directorate's website.

(Action: RA, Ludhiana/Applicant)

Case No.17: M/s. Torrent Pharmaceuticals Ltd., Ahmedabad.
F.No. 01/60/162/896/AM17/PRC
PRC Meeting No. 28/AM17 dated 03.01.2017
Subject:- Request for EOP extension of Advance Authorization No.0810115743 dt. 12.10.2012 issued under PC-9 conditions.

Decision: The Committee noted that the Advance Authorization No. 0810115743 dt. 12.10.2012 was issued with conditions stipulated under PC-9 dated 30.06.2003 read with Appendix-30A of HBP 2009-14, which allows 12 months period for EO fulfilment from import of each consignment. The imports were made on 18.10.2012 and 12.11.2012. Accordingly, initial obligation period was upto 31.10.2013 & 30.11.2013, respectively. The applicant has stated to have fulfilled more than 66% of its stipulated export obligation during the initial export obligation period and remaining thereafter. Taking all these facts into account, the Committee decided the following:

I. Export obligation period be extended from 12 months to 18 months against each import consignments i.e. upto **30.04.2014 and 31.05.2014,** respectively.
II. These extensions are only for accounting and regularization of exports already effected.
III. Extensions will, be subject to a payment of composition fee @ 0.5% per month of FOB value of export made after initial obligation period.
IV. The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.
V. RA shall check that 50% exports against each consignment were made within initial export obligation period. If the exports are found to be less than 50%, composition fee will be charged @ 1% per month on unfulfilled FOB.

(Action: RA, Ahmedabad)

Case No.18: M/s. Vedanta Ltd., New Delhi.
F.No. 01/60/162/699/AM17/PRC
PRC Meeting No. 28/AM17 dated 03.01.2017
Subject:- Request for EODC, revalidation & transferability of DFIA No.0510392676 dt. 02.01.2015.

Decision: The Committee observed that the applicant has contended that DGFT software does not permit acceptance of one shipping bill having multiple DFIAs against the Shipping Bill. In the present case, the applicant has submitted that while endorsing shipping for EODC in a particular E-Com number, quantity-wise division option is not available and also shipping bill once endorsed in one DFIA, new E-Com is not possible online and hence the applicant requested for manual EODC/Transferability. Some of the shipping bills could not be endorsed in the E-Com created for EODC / Transferability as the applicant was issued FMS under the same shipping bills as per policy & provision of FTP but at the time of claiming FMS online, the applicant need to select/mark the relevant menu relating to DFIA scheme. Due to oversight by a staff, the applicant couldn't select/mark the correct code. On account of this unintended & bonafide error their application for EODC/Transferability could not be filed through online system and hence, applicant had applied EODC/Transferability through manual mode.

The issue was taken up with NIC. It has been informed that that EODC can now be issued online against the shipping bills which are used partially and where exports are made indicating two or more DFIAs. The applicant is hereby advised to file online application for EODC/transferability using correct code.

It was also decided that RA shall revalidate the aforesaid DFIA No. 0510392676 dt. 02.01.2015 for a period of **3** months from date of endorsement while issuing EODC.

NIC is also directed to assist the applicant for filing online application for EODC as per the facility created in the software.

(Action: RA, CLA, New Delhi/NIC)

Case No.19: M/s. Eastern Exports, Kanpur.
F.No. 01/60/162/797/AM17/PRC
PRC Meeting No. 28/AM17 dated 03.01.2017
Subject:- Request for EOP extension of Advance Authorization No.0610037188 dt. 25.04.2014.

Decision: The committee noted that the Advance Authorization 0610037188 dt. 25.04.2014 was issued having initial obligation period of 18 months from the date of issue. RA has extended Export Obligation Period (EOP) against the authorization upto 24 months i.e. upto 30.04.2016. The applicant has fulfilled 2.74% within the initial EOP and remaining 97.24% beyond the original EOP. The committee therefore decided the following:

I. Export obligation period be extended from 24 to 30 months i.e. upto **31.10.2016**
II. This will, however, be subject to payment of composition fee @ 1% per month of FOB value of export made after 24th month but upto 30th month against the DFIA.
III. This is only for accounting and regularization of exports already effected.
IV. The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.

(Action RA, Kanpur)

The meeting ended with a vote of thanks to the chair.

****