

**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 07.03.2017 and 09.03.2017

Meeting No. 32/AM17 held on 07.03.2017 at 10:00 AM & 09.03.2017 at 12:50 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. Shri S.B.S Reddy | Addl. DGFT |
| 6. Shri N. K. Srivastava | Addl. DGFT |
| 7. Shri Jay Karan Singh | Jt. DGFT |
| 8. Shri Akash Taneja | Jt. DGFT |
| 9. Shri S. P. Roy | Jt. DGFT |
| 10. Shri Rakesh Kumar | Jt. DGFT |
| 11. Shri Lokesh H. D. | Jt. DGFT |
| 12. 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 RMG Polyvinyl India Ltd., New Delhi. P.H. Case

F.No.01/60/162/078/AM17/PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject:- Request for revalidation of Advance Authorization No.0510293595 dt.16.06.2011.

Decision:

In terms of Para 2.59 of FTP, 2015-20, the applicant was afforded personal hearing, as requested by them. Shri Kamal Dayal, Vice President – Spl. Projects from M/s RMG Polyvinyl India Ltd., appeared before the Committee and made the following submissions:

1. The Authorization was issued on 16.06.2011. However, while issuing the Authorisation, RA had restricted CIF value of each item. Whereas, policy permits import of any input within overall CIF value of the Authorisation. They therefore approached to RA for correcting the same.
2. Vide Amendment Sheet No.1 dated 23.10.2012, individual CIF value against the individual inputs was deleted but the same was not accepted at ICEGATE end. Hence, applicant state that they could not import balance raw material within the validity of the authorization.
3. They had filed application dt. 25.02.2016 to PRC for extension of validity of the above authorization and transmission of correct CIF value and quantity as they could not import

balance quantity of raw material due to error by RA or Custom while carrying the amendment in the authorization.

4. The authorization was debited after amendment sheet No.1 dt. 23.10.2012.
5. While making this amendment, against item No 1 RA wrongly mentioned UOM in Numbers instead of KG.
6. Thereafter, vide amendment Sheet No.2 dt. 20.11.2012 in the column UOM number was corrected to read as KG.
7. Then vide amendment Sheet No.3 dt. 4.7.2013 validity of licence was changed from 30.06.2013 to 15.12.2013.
8. Vide amendment Sheet No.4 dt. 12.12.2013 again RA amended licenceshowing individual CIF value against each item of import instead of total CIF value required to be reflected as per policy provisions.
9. While filing the application for issuance of advance authorization, they clicked in the limiting factors – quantity and value. They realized this mistake and filed application for amendment dt. 8.10.2012 to read the quantity in the limiting factor and overall CIF value. The amendment was issued vide amendment sheet No.1 dt. 23.10.2012.
10. However, the said amendment was not transmitted to IECEGATE and CIF value was showing "CIF less than balance". They submitted screen shot of IECEGATE printed on 19.07.2013.
11. Hence, applicant has requested for revalidation of the authorization to enable them to utilize the balance quantity and value.

Decision: The committee deliberated the case at length. It was noticed that the Authorisation is issued having individual quantity and overall CIF value as limiting factor. However, RA while issuing Authorisation, indicated individual CIF value of each item which was corrected vide amendment sheet No 1 dated 19.10.2011. Since, the Customs server was showing "Amended CIF-INR is less than balance CIF-INR" the individual CIF value were restored vide amendment sheet No 4 dated 12.12.2013 but the same was accepted by the IECEGATE on 07.03.2017, as per NIC report. Meanwhile validity of the licence expired as it was valid only up to 15.12.2013 only. Therefore, the applicant could not utilize remaining value and quantity.

The committee, taking into consideration the above facts, decided to allow three months revalidation from the date of endorsement. The applicant is hereby directed to approach RA, CLA within month from the date of uploading of these minutes.

(Action: RA, CLA)

Case No.2: Ravi Foods Pvt. Ltd., Hyderabad. P.H. Case

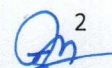
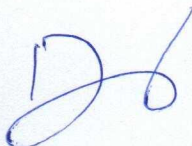
F.No.01/60/162/058/AM17/PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject: -Request for revalidation of DFIA No.0910055370 dt.12.03.2013.

In terms of Para 2.59 Of FTP, 2015-20, the applicant was afforded personal hearing, as per their request. Mr. Ramesh Agarwal-Chairman and Mr. G. Subbarao-General Manager appeared before the committee and made the following submissions:

1. The original DFIA was submitted to the RA Hyderabad for revalidation, EODC & Transferability on 11.09.2014 after completion of 4.15 times of the export obligation.
2. The RA, Hyderabad issued a DL dt.30.10.2014 conveying rejection on the ground that the inputs actually used in the product exported has not been specifically indicated in the S/Bills through which exports were made after 01.08.2013.



3. The DFIA was issued on 12.03.2013 that is much before issuance of Notification No.31 dt. 01.08.2013 [which made requirement of mentioning the specific inputs instead of Generic description] which was transmitted through online to Customs server.
4. Hence, the Shipping Bills reflected the inputs in generic description only. Accordingly, they approached for relief in the matter based on the factual position that Custom's Software does not allow for any modification in the description of the specific inputs.
5. The PRC without considering the practical difficulty rejected their request for EODC, Transferability and revalidation.
6. The Chief Commissioner of Customs letter dt. 07.07.2016 clarified that the EDI system does not allow any other inputs to be fed into any of the fields on the screen, except the quantities of inputs.
7. The denial of EODC and Transferability and revalidation for the exports already made since the year 2013 is blocking their incentives and their working capital is stuck in the form of incentives. They are forced to go to Financial Institutions for availing loans and the interest burden is mounting.
8. Hence, they have requested for revalidation of the above DFIA for 6 months from the date of endorsement.

Decision: The Committee deliberated the case at length. It was noted that vide Notification no.31 dated 1.8.2013 Para 4.1.15 was inserted in the FTP, 2009 2014, which provides "Wherever SION permits use of either (a) a generic input or (b) alternative inputs, unless the name of the specific input(s) [which has (have) been used in manufacturing the export product] gets indicated / endorsed in the relevant shipping bill and these inputs, so endorsed, match the description in the relevant bill of entry, the concerned Authorisation will not be redeemed. In other words, the name/description of the input used (or to be used) in the Authorisation must match exactly with the name/description endorsed in the shipping bill. At the time of discharge of export obligation (EODC) or at the time of redemption, RA shall allow only those inputs which have been specifically indicated in the shipping bill and Provisions of paragraphs 4.1.11, 4.1.12, 4.1.13, 4.1.14 and 4.1.15 of FTP shall be applicable for DFIA holder." The Committee was of the view that the exporter has taken up the issue with the authorities and even Chief Commissioner of Customs issued letter to them saying that their computer system has not allowed them to declare extra description in the shipping bill. It is evident that in this case there was practical difficulty in modifying any input description given by the Licensing Authority in DFIA. In shipping bills they could enter only quantities of inputs utilized and not the specific names. It was felt that RA also could not issue, rather could not allow, to endorse different description of inputs which were allowed in SION in DFIA's so issued. In other words, RA has to issue DFIA Authorisation strictly as per SION only.

Provisions of amended policy are to apply only on exports affected on or after 1.8.2013 only and not on exports affected prior to the date of Notification. This position had already been clarified vide Public Notice no.35 dated 30.10.2013 which inter-alia state that "Where both export and import have been completed prior to 1.8.2013, such cases will not be covered under Notification No. 31 dated 1.8.2013 (as amended), irrespective of whether the concerned authorization (AA/ DFIA) has been redeemed or not". However, the applicant has stated that there was no



provision in the Customs software to declare specific description of inputs actually consumed. Description of inputs and the resultant product comes automatically on selecting Authorisation number, while filing shipping bill. They can only change the quantity and not the description. In support of their claim, they have submitted letter dated 9.4.2015 issued by Superintendent of Customs, Hyderabad and letter dated 04.07.2016 issued by Chief Commissioner of Customs, Hyderabad who have confirmed the contention of the applicant. It was, therefore, decided to seek comments of DG Systems through PC 4 Section, for forming a final view and decide the case.

Accordingly, the case was deferred.

(Action: PC4/PRC)

Case No.3: Ravi Foods Pvt. Ltd., Hyderabad P.H. Case

F.No.01/60/162/057/AM17/PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject: -Request for revalidation of DFIA No.0910055369 dt.12.03.2013.

Decision:

In terms of Para 2.59 Of FTP, 2015-20, the applicant was afforded personal hearing, as per their request. Mr. Ramesh Agarwal-Chairman and Mr. G. Subbarao-General Manager appeared before the committee and made the following submissions:

1. The original DFIA was submitted for revalidation, EODC & Transferability on 11.09.2014 to RA, Hyderabad after completion of more than 11 times of the export obligation.
2. The RA, Hyderabad have issued a DL dt.30.10.2014 stating that their application has been rejected since the inputs actually used in the product exported has not been specifically indicated in the S/Bills through which exports were made after 01.08.2013.
3. The DFIA was issued on 12.03.2013 that is much before issue of Notification No.31 dt. 01.08.2013 with inputs in Generic description which was transmitted through online to Customs server.
4. Hence, the Shipping Bills reflected the inputs in generic description only. Accordingly, they approached for relief in the matter based on the factual position that Custom's Software does not allow for any modification in the description of the specific inputs.
5. The PRC without considering the practical difficulty have rejected their request for EODC, Transferability and revalidation.
6. The Chief Commissioner of Customs letter dt. 07.07.2016 clarified that the EDI system does not allow any other inputs to be fed into any of the fields on the screen, except the quantities of such inputs.
7. The denial of EODC and Transferability and revalidation for the exports already made since the year 2013 is blocking their incentives and their working capital is stuck in the form of incentives. They are forced to go to Financial Institutions for availing loans and the interest burden is mounting.
Hence, they have requested for revalidation of the above DFIA for 6 months from the date of endorsement.

Decision: Decision taken in case No. 2 is reiterated.

(Action: PC4/PRC)

Case No.4: N.R. Agarwal Industries Ltd., Mumbai. (P.H. Case)

F.No.01/60/162/072/AM16/PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject: -Request for revalidation of two DFIA's No.0310739497 dt. 28.06.2013 & 0310734404 dt.14.05.2013.

In terms of Para 2.59 of FTP, 2015-20, the applicant was afforded personal hearing, as per their request. Mr. Rashik Padia-General Manager from the company appeared before the committee and made the following submissions:

1. They obtained two DFIA's No.0310739497 dt. 28.06.2013 & 0310734404 dt.14.05.2013 and fulfilled more than 100% export obligation within initial validity period of the Authorisations. However, they could not make application for EODC because their bank did not upload e-BRC in time.
2. Against DFIA No.0310739497 dt. 28.06.2013, exports were made vide shipping bill dated 06.08.2013, 07.08.2013 and 31.07.2013. The payments were realized on 10.09.2013, 22.08.2013 and 05.02.2014, respectively. However, the bank issued e-BRC uploaded e-BRC on 29.05.2014, 11.01.2014 and 20.03.2014, respectively.
3. Against DFIA No. 0310734404 dt.14.05.2013, exports were made vide shipping bills dated 26.06.2013, 17.06.2013, 17.06.2013, 27.06.2013 and 28.06.2013. The payments were realized on 27.08.2013, 06.01.2014, 06.01.2014, 03.02.2014 and 03.02.2014, respectively. However, the bank uploaded e-BRC on 26.06.2014, 29.05.2015, 06.03.2014, 06.03.2014 and 06.03.2014, respectively.
4. Initially, e-BRCs were issued in time but due to wrong shipment dates mentioned by the bank, these were not uploaded. However, after correcting shipment dates these were uploaded after 8 months against first DFIA and after 10 months against second DFIA.
5. The bank has issued certificate accepting their mistake stating that due to non-availability of technical person, delay in uploading of e-BRCs were happened.
6. They could not obtain EODC during the initial validity of DFIA's. There was no fault on their part. Hence, they requested to allow 6 months revalidation for making imports.

Decision: The case was discussed at length. It was noted that as per rules, the Bank are required to upload e-BRC preferably on the same date on which payments are realised. In this case, the bank took abnormal time to upload e-BRCs. Without e-BRC, EODC is not issued since realization of export proceeds is pre-requisite for obtaining EODS. Taking into consideration these facts and the letter from the Bank about delay on their part in uploading the e-BRCs, the committee decided to allow 6 months revalidation from the date of endorsement against above referred two DFIA's. The applicant is directed to submit Authorisations to RA within a month from the date of uploading of these minutes on the Directorate website for necessary endorsement.

(Action: RA, Mumbai/Applicant)



Case No.5: Haldia Petrochemicals, Kolkata.P.H. Case

F.No.01/60/162/498/AM17/PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

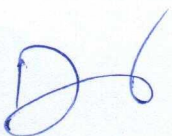
Subject: -Request for EOP extension of AA No.0210122139 dt.13.01.2009.

In terms of Para 2.59 of FTP, 2015-20, the applicant was afforded personal hearing, as requested by them. Mr. Deepak-head of treasury and Insurance and Mr. Ashok Chattopadhyay- Dy. General Manager appeared before the committee and made the following oral as well as written submissions:

1. As their cases may not fall within the regular framework of rules that are applied, therefore, their applications were referred to and considered by the Cabinet on the ground of Public Interest.
2. The Cabinet had taken a sympathetic view of the circumstances under which the default had taken place and considerably granted extension of E.O. period. In fact the decision has yielded positive results for all the stakeholders including government where HPL has not only survived but has also turned around with a robust all round performance with higher than expected contribution to the exchequer, exports and various other statutory duties.
3. As per the extensions granted by Union Cabinet, they were well on track to fulfilling the pending obligations, having already met more than 50% of overall pending export obligations (including the 20% enhancement on the unfulfilled obligation).
4. They did indeed apply for the extension of EO period for this licence (as a part of the EO extension for 82 licences). In fact, the Additional Chief Secretary, Govt. of W.B. had also recommended for this extension.
5. Even after the Cabinet decision, they were initially not given the details of the licences whose extension was granted. Upon their repeated requests, they were provided with the final list of 90 licences as considered for extension. While allowing the EO extension for 4 years, the aforesaid licence was not included although extension was allowed for 90 licences as against their application for 82.
6. The obligation under the concerned licence has already been completed by January, 2016 and in accordance with the PRC approval for other licences, an extra 20% export has also been made in lieu of composition fees.
7. Hence, they have requested to consider their case in line with the spirit of the Cabinet decision for regularization of exports already made and redemption of the Authorisation.

Decision: The case was discussed at length. The committee noted that the request for extension of export obligation was initially rejected by the committee However, on the recommendation of state Government; matter was considered vide Cabinet note for allowing extension in export obligation period for Advance Authorisation obtained by HPL during April, 2010 to September, 2013. The said note was moved by ~~DoR~~ **DoA** and the list of pending Authorisations prepared by Customs Kolkata in consultation of RA, Kolkata, there were 90 Authorisations pending where imports were made but no exports/partial exports were made by M/s HPL. Accordingly, Cabinet has approved export obligation period extension upto 2019. Since, the list of 90 Authorisations consists of Authorisations issued prior to April, 2010; it appears that the Authorisation in question was left by oversight while providing the list of 90 Authorisations by DoR.

The committee, therefore, decided to refer this case to DoR for seeking their comments and NOC for considering the request.



(Action: PRC/DoR)

Case No.6: HimadriSpeciality Chemicals Ltd.,(formerly known as HimadriChemicals& Industries Ltd.,) Kolkata.P.H. Case

F.No.01/60/162/377/AM17/PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject: -Request for EOP extension of exports obligation period beyond the original EOP towards regularization of E.O. and closure purpose against Advance Authorization No.0210124478 dt.18.03.2009.

In terms of Para 2.59 of FTP, 2015-20, the applicant was afforded personal hearing, as requested by them. Mr. Anurag Chaudhary-CEO and Mr. Vipin Gupta, Director-business development appeared before the committee and made the following submissions:

1. They have obtained the Advance Authorization No.0210124478 dt. 18.03.2009 and imported 5600 MT of Carbon Black Feedstock (CBFS) of 120 BMCI & above against firm export order was subject to approval of samples as per International Grade.
2. They could not fulfill the commitment of exports during the E.O. period as specified in the licence and now seeking relaxation of policy for consideration of exports beyond the E.O. period for issuance of EODC against the said authorization.
3. Due to technical problems there was a delay in commissioning of the plant. The plant could start the trial run for production only in July 2009 and stabilizing the commercial production took some time and commercial production of quality as per international standard nearly two years to stabilize. Thus the company lost valuable time in meeting the export obligation.
4. The AA was obtained based on firm / potential orders that they received from their customers in Sri Lanka and Bangladesh. However, the order that they received were subject to supply as per technical specifications specified by the buyers. The approval of technical specifications took much longer than anticipated especially with their main buyers in Bangladesh and Sri Lanka. The approval of samples in Sri Lanka for example took more than 3 years and today they are exporting substantial quantity to them.
5. Since the plant was newly commissioned with indigenous technology, they had faced genuine hardships in stabilizing the production quality as per international standards leading to a delay in getting international approvals for fulfilling the export obligation which was more than the anticipated time.
6. They had imported raw material against firm export order and had faced genuine hardships to export their goods within the validity of the E.O. period. Hence, they have requested for extension of E.O. period upto 31.10.2014 for regularization of exports and closure purpose.

Decision: The case was discussed at length. The committee noted that the Authorisation was issued having initial obligation period of 36 months. During the initial obligation period, the applicant did not make any export though imported 100% quantity permitted in the Authorisation. The applicant was aware that duty free imports are allowed with condition that export must be completed within initial export obligation



period and achieving minimum prescribed value addition. The applicant could not give any satisfactory reply to the question from the committee that as to why they imported huge quantity of 5600MTs duty free raw material though they had not tested their product acceptability in the international market and why they did not approach PRC immediately after expiry of EOP which was up to March, 2012. (i.e 36 months)

In terms of Para 4.1.5(a) of FTP, 2009-2014, "*Advance Authorisation and / or materials imported thereunder will be with actual user condition. It will not be transferable even after completion of export obligation. However, Authorisation holder will have option to dispose off product manufactured out of duty free inputs once export obligation is completed*". Therefore, transfer/sale of raw materials or even resultant product before completing stipulated export obligation amount violation of FTP and attract action under FT(DR)Act, 1992, as amended. It was also brought to the notice of the committee by DRI, Kolkata, vide letter dated 24.10.2016 that the M/s Himadri Chemicals has utilized whole quantity of duty free goods and diverted the resultant products in the domestic market. The committee, therefore, decided not to accede to the request of the company adding that RA may take consequential action under FT(DR) Act 1992 within one month of uploading of the minutes of the Committee.

(Action: RA, Kolkata)

Case No.7: M/s. Viraj Syntex (P) Ltd., Kanpur.

F.No.01/60/162/940/AM17/PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject: -Request for EOP extension of Advance Authorization No.0610017134 dt.29.01.2010.

Decision: The committee observed that the Authorisation was issued having initial export obligation period of 36 months. The applicant utilised the Authorisation to the 100% by importing all the inputs, as permitted duty free but fulfilled only 53.75% export obligation during the initial export obligation period. However, applicant but did not make any export thereafter. Since applicant is approaching PRC after nearly 7 years after issuance of authorization, the Committee did not accede to the request. The applicant is hereby directed to get the case regularized in terms of Para 4.49 of HBP 2015-2020.

(Action: Applicant/RA, Kanpur: if the applicant fails to get the case regularised within a month from the date of uploading of these minutes on the Directorate website, necessary penal action as per the provisions of FT(DR)Act, shall be initiated.)

Case No.8: M/s. Mepro Pharmaceuticals Pvt. Ltd., Mumbai.

F.No. 01/60/162/943/AM17/PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject: - Request for EOP extension of Advance Authorization No.0310778663 dt. 17.04.2014 issued under PC-9 condition.

Decision:



8 

The Committee noted that the Authorisation 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 fulfillment from import of each consignment. The applicant imported goods on 02.07.2014 and 12.01.2015. Accordingly, initial obligation period was upto 01.07.2015 and 31.01.2016, respectively. The applicant has stated to have fulfilled 6.07% export obligation against first import consignment and 75.47% against second consignment. Taking into consideration all these facts, the Committee decided the following:

- I. Export obligation period be extended from 12 months to 18 months against each import consignments i.e. upto **31.01.2016 & 31.07.2016**, respectively.
- II. This will, however, be subject to payment of a composition fee @ 1% per month of FOB value of exports made after initial obligation period against first import consignment and @ 0.5% per month of FOB value of exports made after initial export obligation period against second consignment.
- III. RA shall check that minimum 50% exports are made against second consignment, even on prorata basis, against second consignment. If not, composition fee will be charged @ 1% per month of unfulfilled FOB value.
- IV. The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.

(Action: RA, Mumbai)

Case No.9: M/s. Lupin Ltd., Mumbai.

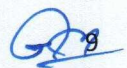
F.No.01/60/162/935/AM17/PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject: -Request for EOP extension of Advance Authorization No.0310790700 dt. 03.11.2014 issued under PC-9 conditions.

Decision: The Committee noted that the Authorisation 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 fulfillment from import of each consignment. The applicant has imported goods on 02.02.2015, 12.05.2015 and 20.11.2015. Accordingly, initial export obligation period was upto 01.02.2016, 11.05.2016 and 19.11.2016, respectively. The applicant has stated to have completed more than 50% of its stipulated export obligation during the initial export obligation period. Taking into consideration all these facts, the Committee decided the following:

- I. Export obligation period be extended from 12 months to 18 months against each import consignments i.e. upto **01.08.2016, 10.11.2016 and 10.05.2017**, respectively.
- II. This will, however, be subject to payment of a composition fee @ 0.5% per month of FOB value of exports made after initial obligation period.
- III. RA shall check that minimum 50% exports, even on pro-rata basis, are made against each consignment, within its initial obligation period. If not, composition fee will be charged @ 1% per month of unfulfilled FOB value.
- IV. The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.



(Action: RA, Mumbai)

Case No.10: M/s. Ognibene India Pvt. Ltd., Pune.

F.No. 01/60/162/955/AM17/PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject:- Request for waiver of requirement of indicating Advance Authorization No. or File Number on export documents in Advance Authorization No.3110045249 dt.27.10.2010.

Decision: The committee noted that the applicant has obtained the above Advance Authorisation for export/ supplies of resultant products to an EOU under Deemed Export category but while making supplies they did not declare the authorisation number / file number on 285 invoices.

In case of physical export, if shipment is made without indicating Authorisation details/File details or any incentive schemes, the same is treated as "free shipping bills". As such, the valuation of "free shipping bill" is not done by the Customs Authority. Therefore, such shipping bills are not taken into account towards discharge of export obligation against Advance Authorisation.

Similarly, in case of deemed export, the supplier is required to indicate Authorisation No/File No in Invoice/ARE-3. Without indicating details of Authorisation, such supplies are treated as free export/supply. Hence, such documents cannot be taken into account towards discharge of export obligation. Requirement of valuation and verification of consumption of duty free inputs cannot be dispensed with.

The committee, therefore, did not accede to the request. The applicant is hereby directed to get the case regularised as a bonafide defaulter in terms of Para 4.49 of HBP, 2015-2020.

(Action: Applicant/RA, Pune; If the applicant fails to get the case regularised within a month from the date of uploading of these minutes on the Directorate website, necessary penal action per the provisions of F.T.(D&R)Act, 1992, as amended shall be initiated)

Case No.11: M/s. Ognibene India Pvt. Ltd., Pune.

F.No.01/60/162/989/AM17/PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject:-Request for waiver of requirement of not indicating Advance Authorization No. or File Number on export documents in Advance Authorization No.3110052275 dt.01.01.2012.

Decision: The committee noted that the applicant has obtained the above Advance Authorisation for export/ supplies of resultant products to an EOU under Deemed Export category but while making supplies they did not declare the authorisation number / file number on 442 invoices.

In case of physical export, if shipment is made without indicating Authorisation details/File details or any incentive schemes, the same is treated as "free shipping bills". As such, the valuation of "free shipping bill" is not done by the Customs



Authority. Therefore, such shipping bills are not taken into account towards discharge of export obligation against Advance Authorisation.

Similarly, in case of deemed export, the supplier is required to indicate Authorisation No/File No in Invoice/ARE-3. Without indicating details of Authorisation, such supplies are treated as free export/supply. Hence, such documents cannot be taken in to account towards discharge of export obligation. Requirement of valuation and verification of consumption of duty free inputs cannot be dispensed with.

The committee, therefore, did not accede to the request. The applicant is hereby directed to get the case regularised as a bonafide defaulter in terms of Para 4.49 of HBP, 2015-2020.

(Action: Applicant/RA, Pune; If the applicant fails to get the case regularised within a month from the date of uploading of these minutes on the Directorate website, necessary penal action per the provisions of F.T.(D&R)Act, 1992, as amended shall be initiated)

Case No.12: M/s. Ognibene India Pvt. Ltd., Pune.

F.No. 01/60/162/990/AM17/PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject: - Request for waiver of requirement of not indicating Advance Authorization No. or File Number on export documents in Advance Authorization No.3110062548 dt.14.02.2014.

Decision:

The committee noted that the applicant has obtained the above Advance Authorisation for export/ supplies of resultant products to an EOU under Deemed Export category but while making supplies they did not declare the authorisation number / file number on 457 invoices.

In case of physical export, if shipment is made without indicating Authorisation details/File details or any incentive schemes, the same is treated as "free shipping bills". As such, the valuation of "free shipping bill" is not done by the Customs Authority. Therefore, such shipping bills are not taken into account towards discharge of export obligation against Advance Authorisation.

Similarly, in case of deemed export, the supplier is required to indicate Authorisation No/File No in Invoice/ARE-3. Without indicating details of Authorisation, such supplies are treated as free export/supply. Hence, such documents cannot be taken in to account towards discharge of export obligation. Requirement of valuation and verification of consumption of duty free inputs cannot be dispense with.

The committee, therefore, did not accede to the request. The applicant is hereby directed to get the case regularised as a bonafide defaulter in terms of Para 4.49 of HBP, 2015-2020.

(Action: Applicant/RA, Pune; If the applicant fails to get the case regularised within a month from the date of uploading of these minutes on the Directorate



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website, necessary penal action per the provisions of F.T.(D&R)Act, 1992, as amended shall be initiated)

Case No.13: M/s. JTL Infra Ltd., Ludhiana.

F.No. 01/60/162/995/AM17/PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject: - Request for 2nd revalidation of DFIA No.3010103401 dt.04.03.2015.

Decision: The Committee noted that the applicant had obtained the above DFIA for exporting ERW Steel Pipes and after completion of export obligation, applied for EODC on 25.01.2016. However, RA Ludhiana issued Deficiency Letter stating that the applicant had exported in excess, which cannot be considered under pre-export DFIA with AU condition, which allows exemption from various duties as per para 4.1.4 of **FTP 2009-14**. The FTP for 2009-14 was valid upto 31.03.2015 and in the present **FTP 2015-20** the pre-export DFIA has been discontinued. As per Para 4.26 of FTP 2015-20, the DFIA is available on post export basis only with exemption only from basic customs duty. The applicant initially applied for EODC on 25.01.2016 whereas RA, Ludhiana issued D/L on 03.03.2016. The applicant replied to the D/L on 30.03.2016. RA again issued a D/L on 09.05.2016 to which the applicant replied on 18.07.2016. After, clarification issued by H.Q. EODC was granted to the applicant. Meanwhile, the said DFIA lost its validity. Taking all these facts into consideration, the Committee decided to grant revalidation of 6 months from the date of endorsement. The applicant is directed to get the endorsement from RA within one month from the date of uploading of PRC minutes on the Directorate website.

(Action: RA, Ludhiana)

Case No.14: M/s. RusanPharma Ltd., Mumbai.

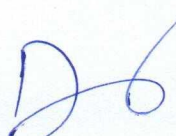
F.No. 01/60/162/939/AM17/PRC

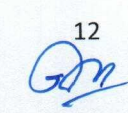
PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject: - Request for waiver of PC-18 condition of Advance Authorization No.0310700241 dt. 29.06.2012 issued under PC-9 conditions.

Decision: The Committee noted that the Authorisation 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 fulfillment from import of each consignment. Such inputs are allowed with pre import condition. As per their submission, the applicant has imported 250kgs duty free drug from unregistered sources and fulfilled 90.65% export obligation. The applicant has obtained another Advance Authorisation No 0310704777 dated 10.08.2012 under which they exported 24.420kgs. The applicant has claimed to have paid customs duty and interest on 23.40kgs vide challan dated 31.10.2016, as demanded by RA for shortfall. Taking into consideration all these facts, the Committee decided the following:

- i. PC-18 shall stand waived against shortfall of 23.40kgs to the extent of requirement of destruction certificate.
- ii. RA shall check and ensure that equivalent quantity of shortfall, excess exports were made under Authorisation No 0310704777 dated 10.08.2012 and the said Authorisation was issued for same inputs.



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- iii. The applicant shall furnish an affidavit on stamp paper that no drugs imported from unregistered sources or resultant products manufactured out of it were diverted into the local market.

(Action: RA, Mumbai)

Case No.15: M/s. Best Corporation (P) Ltd., Coimbatore.

F.No. 01/61/180/047/AM17/PC-3/PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject: - Request for relaxation of the policy for condoning of notional delay of four days in filing application of SHIS (Textiles & Jute Sector) No.3210077024 dt. 08.07.2014 for Rs.2,10,32,902/-.

Decision: The committee noted that in terms of Para 3.10.3(a) read with Para 9.3 of HBP, 2009-2014, application for SHIS can be filed by 31.03.2013 with 10% late cut for exports made during April, 2009 to March, 2010. However, in this case application was submitted on 04.04.2013 that is after prescribed period stipulated in the Para 9.3 of HBP 2009-14. The applicant's submissions that by virtue of clarification issued by Policy Circular No 33 dated 19.05.2010, the last date would automatically be extended by at least two months with 10% cut from 19.05.2010 and would expire by 18.05.2013 was not found tenable because Policy Circulars are issued to clarify the existing provisions and these do not amend Policy. Therefore, applicant was required to submit application within allowed three years' period mentioned in para 9.3 of HBP 2009-14. The CAG Audit has also raised a Para treating the application as time barred and suggested recovery. And, RA has already effected the recovery.

The committee going through the facts and circumstances and after going through the submissions of the applicant did not find it to be a case of genuine hardship and hence rejected the request of applicant.

(Action:RA and Applicant)

Case No.16: M/s. Ryders Equestrian Products (P) Ltd., Kanpur.

F.No. 01/60/162/930/AM17/PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject: - Request for EOP extension of Advance Authorization No.0610023395 dt.24.08.2011 for regularization purpose.

Decision: The Committee observed that the above Authorisation was issued having initial obligation period of 36 months. The applicant has fulfilled 100% of its stipulated export obligation. However, some exports are made outside the stipulated EOP but within 48 months. The applicant has sought extension of EO upto 31.10.2014 for regularisation purpose only. The Committee, therefore, decided the following:

- I. Export obligation period be extended from 36 to 42 months i.e. upto 28.02.2015.
- II. This is only for accounting and regularization of exports already effected.
- III. The applicant has to pay a composition fee @ 0.5% per month of FOB value of exports made after 36th month but upto 42nd month i.e. upto 28.02.2015.



- IV. The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.

(Action: RA, Kanpur)

Case No.17: M/s. Alcon Food Packaging, Kolkata.

F.No.01/60/162/933/AM17/PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject: -Request for EOP extension of Advance Authorization No.0210204275 dt.30.06.2014.

Decision: The Committee noted that the Authorisation under question was issued having initial obligation period of 18 months. RA has allowed six months further extension. Despite that the applicant has fulfilled only 0.18% export obligation. The applicant's plea that they could not fulfil EO because their order was cancelled by their buyer in USA was not found tenable by the committee because Authorisation holder was free to export resultant product to any other buyer either in USA or any other country. Further, the resultant product "Table, Kitchen and other house hold articles made out Aluminium" are not such specialized items, which cannot be exported to any country other than USA. The committee, therefore, did not accede to the request.

The applicant is hereby directed to get the case regularised in terms of Para 4.49 of HBP, 2015-2020.

(Action: RA Kolkata: If the applicant fails to get the case regularized within a month from the date of publication of these minutes on the Directorate website, necessary penal action as per provision under FT(DR) Act, 1992, as amended, should be initiated by the RA).

Case No.18: M/s. Haryana Conductors P. Ltd., New Delhi.

F.No. 01/60/162/942/AM17/PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject: - Request for 2nd revalidation of Advance Authorization No.0510393462 dt.04.03.2015.

Decision: The Committee observed that the Authorisation was issued having initial validity of 12 months. RA has allowed further 6 months revalidation on the request of the applicant. Despite that they did not utilise the Authorisation. From the submissions made by the applicant, no case of genuine hardship is established. Accordingly, the Committee did not accede to the request.

Case No.19: M/s. Wockhardt Ltd., Mumbai.

F.No. 01/60/162/953/AM17/PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject: - Request for EOP extension of Advance Authorization No.0310800095 dt. 06.11.2015 issued under PC-9 condition.

Decision: The Committee noted that the Authorisation 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 fulfillment from import of each consignment. The applicant has stated to have imported goods on 27.11.2015. Accordingly, initial obligation period was upto 26.11.2016. The applicant has also claimed to have completed more than 50% of its stipulated export obligation during the initial export obligation period. Taking into consideration all these facts, the Committee decided the following:

- I. Export obligation period be extended from 12 months to 18 months against each import consignments i.e. upto **26.05.2017**.
- II. This will, however, be subject to payment of a composition fee @ 0.5% per month of FOB value of exports made after initial obligation period.
- III. RA shall check that minimum 50% exports, even on pro-rata basis, are made against each consignment, within its initial obligation period. If not, composition fee will be charged @ 1% per month of unfulfilled FOB value.
- IV. The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.

(Action: RA, Mumbai)

Case No.20: M/s. Fire Safety Devices P. Ltd., New Delhi.

F.No. 01/60/162/927/AM17/PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject: - Request for revalidation of Advance Authorization No.0510394476 dt.08.06.2015.

Decision: The Committee observed that the Authorisation was issued having initial validity of 12 months. RA has allowed 6 months revalidation as per request of the applicant. Despite that they had not utilized the Authorisation. From the submissions made by the applicant, no case of genuine hardship is established. Hence, the Committee did not accede to the request.

Case No.21: M/s. Elkay Telelinks Ltd., Faridabad.

F.No. 01/60/162/954/AM17/PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject: - Request for revalidation of Advance Authorization No.0510389264 dt.02.07.2014.

Decision: The committee noted that the Authorisation was issued having initial validity of 12 months. The applicant had option to obtain one revalidation of six months from the RA concerned but did not opt for the same. No cogent reason evidencing genuine hardship is established. The committee, therefore, did not accede to the request.

Case No.22: M/s. Kirloskar Pneumatic Co. Ltd., Pune.

F.No. 01/60/162/949/AM17/PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject: - Request for condoning the procedural lapse of not generating Bill of Exports against exports/ supplies made to SEZ unit under Advance Authorization No.3110049595 dt.03.08.2011 for regularization purpose.

Decision:

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The Committee noted that as per ANF-4G (application for redemption of Advance Authorisation) Shipping Bill (in case export by ship) /Bill of Export(in case export through land customs) is mandatory prescribed document for redemption of Authorisation. Further, for getting incentive on supply of goods to SEZ, Bill of Export is mandatory prescribed document under Rule 30 of SEZ, Rule, 2006. In terms of Para 4.12 of FTP, 2015-20, consumption of inputs is required to be declared in shipping bill/bill of export. There is no col. in ARE-1 to declare consumption of inputs. Further, valuation of ARE-1 is not carried out by the Customs officer while re-bonding the goods in SEZ unit. Therefore, the committee was of the view that requirement of 'Bill of Export' cannot be dispensed with. The applicant is hereby directed to get the case regularised as per the provisions of Para 4.29 of HBP, 2009-2014.

(Action: RA Pune : If the applicant fails to get the case regularized within a month from the date of publication of these minutes on the Directorate website, necessary penal action as per the provisions of F.T.(D&R) Act, 1992, as amended, shall be initiated.)

Case No.23: M/s. Cadila Healthcare Ltd., Ahmedabad.

F.No.01/60/162/997/AM17/PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject: -Request for EOP extension of Advance Authorization No.0810134930 dt. 25.03.2015 issued under PC-9 condition.

Decision: The Committee noted that the Authorisation 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 fulfillment from import of each consignment. The applicant has imported goods on 30.03.2015, 29.07.2015, 06.11.2015 & 09.12.2015. Accordingly, initial obligation period was upto 31.03.2016, 28.07.2016, 05.11.2016 & 08.12.2016, respectively. The applicant has stated to have completed more than 50% of its stipulated export obligation during the initial export obligation period. Taking into consideration all these facts, the Committee decided the following:

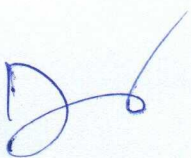
- I. Export obligation period be extended from 12 months to 18 months against each import consignments i.e. upto **30.09.2016, 27.01.2017, 04.05.2017 & 07.06.2017**, respectively.
- II. This will, however, be subject to payment of a composition fee @ 0.5% per month of FOB value of exports made after initial obligation period.
- III. RA shall check that minimum 50% exports, even on pro-rata basis, are made against each consignment, within its initial obligation period. If not, composition fee will be charged @ 1% per month of unfulfilled FOB value.
- IV. The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.

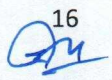
(Action: RA, Ahmedabad)

Case No.24: M/s. Alps Industries Ltd., Ghaziabad.

F.No. 01/60/162/1005/AM17/ PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017



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Subject: -Request for EOP extension and reduction in FOB value of exports against Advance Authorization No.0510385549 dt.02.05.2014.

Decision: The Committee observed that the above Authorisation was issued having initial obligation period of 18 months. RA has extended the export obligation period for further six months i.e. upto 31.05.2016. The applicant has fulfilled 12.70% E.O. within the initial EO Period and 61.25% outside the EO Period. The applicant has sought extension of EO upto 36 months for regularization of exports already made and to fulfil balance export obligation. The Committee, decided the following:

- I. Export obligation period be extended upto 36 months from the date of issue of the Advance Authorisation i.e. upto 01.05.2017.
- II. The applicant has to pay a composition fee @ 0.5% per month of FOB value of exports made after 24th month but upto 30th month i.e. upto 01.11.2016 and 1% per month of FOB value of exports made/to be made after 30th month but upto 36th month i.e. upto 01.05.2017.
- III. Prorata reduction in FOB value is allowed as per policy hence, no policy relaxation is required.
- IV. The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.

(Action: RA, CLA, New Delhi)

Case No.25: M/s. Jindal Saw Ltd., New Delhi.

F.No. 01/60/162/991/AM17/PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject:- Request for entertainment of MEIS claim against two S/Bills No.3301762 dt. 30.9.2015 & 3306836 dt.30.9.2015.

Decision: The committee noted that in terms of Para 3.14(a) of HBP 2015-20, in order to claim rewards under MEIS, exporter is required to tick "y" or "N" option, while filing shipping bill to Customs. Only such shipping bill, which has been ticked with "Y" option is transmitted to DGFT server by IECEGATE server. Shipping bill marked with "N" option is not transmitted to DGFT server as the exporter express his intention of not availing chapter 3. Since, application for MEIS can be filed online only by tagging shipping bills available in DGFT server, no application can be filed for shipping bills not available in DGFT server.

In this case the applicant has ticked "N" option, while making shipments, such shipping bills are not available in DGFT server. Hence, the committee did not find it to be of genuine hardship and hence did not accede to the request of the firm.

Case No.26: M/s. Jindal Saw Ltd., New Delhi.

F.No. 01/60/162/992/AM17/PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject: - Request for entertainment of MEIS claim manually against S/Bill No.4855418 dt.22.12.2015.

Decision: The committee noted that while making shipment the applicant inadvertently indicated ITC (HS) code of export item as 73065000 instead of



73051129, which was corrected subsequently by the customs Authority under section 149 of Customs Act. Letter from Customs Authority was also submitted by the applicant. However, such correction cannot be transmitted online, as per limitation of software. The committee, therefore, decided the following:

- i. RA shall issue manual duty credit scrip against shipping bill No 4855418 dated 22.12.2015.
- ii. NIC shall transmit the duty credit scrip so issued to ICEGATE with special Flag after obtaining the same from ICEGATE.

(Action: RA, CLA/NIC)

Case No.27: M/s. Halal Trades, New Delhi.

F.No. 01/60/162/986/AM17/PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject: -Request for relaxation for not mentioning the intent declaration in terms of FTP 2015-20 on 8 S/Bills. (S/Bills no. 1112829 dt. 10.06.2015; 2623750 dt.26.08.2015; 2623772 dt. 26.08.2015; 2624839 dt. 26.08.2015; 2637061 dt.26.08.2015; 3075485 dt. 18.09.2015; 3075491 dt. 18.09.2015 and 9962923 dt. 02.06.2015)

Decision: The committee noted that in terms of Para 3.14(a) of HBP 2015-20, in order to claim rewards under MEIS, exporters were required to declare intent on shipping bill for all categories of the Shipping Bills as : "we intend to claim rewards under Merchandise Export From India Scheme". Such declaration was required even for export shipments under any of the schemes of Chapter-4(including drawback), Chapter-5 or Chapter-6 of FTP. In the case of shipping bills (other than free shipping bills), such declaration of intent was mandatory with effect from 1st June 2015. Grace period of 2 months (from 01.04.2015 to 31.05.2015) was provided to the trade as facilitation measure as the representations were received from trade that many exporters were not aware of the mandatory nature of filing the intent.

Even after 31.05.2015 It was brought to the notice of this Directorate that many of the exporters even though they had indicated the wordings "we intend to claim rewards under Merchandise Export from India Scheme" in the shipping bill, they had inadvertently ticked "N" in the reward item box while filing the shipping bills with the Customs. Since, Para 3.01(g) of the HBP 2015-20 doesnot allow manual feeding of EDI shipping bill details, manual filing of MEIS claims was not possible in case of such shipments.

In order to address the above type of grievances, this Directorate issued Public Notice No.40 dated 09th October 2015 specifying the procedure to be followed for obtaining the benefit under the MEIS Scheme in case of shipping bills, where option "N" has been ticked inadvertently in the reward item box while filing shipping bills in Customs for exports made between 01.04.2015 to 31.05.2015.

Further, representations were received from trade and industry that such procedure should also be made applicable to exports made beyond 31.05.2015. Accordingly, this Directorate vide Public Notice No 47 dated 08.12.2015 specified procedure to be



followed where exports have been made between 1.6.2015 to 30.9.2015 through EDI generated shipping bills, and where the exporter has inadvertently marked "N" in the "reward item box" but has declared his intention in the affirmative on the shipping bill.

In the instant case, exports were made between 10.06.2015 to 18.09.2015. However, the applicant has neither marked his intent as "Y" in the "reward item box" nor has he declared his intention in the affirmative on the shipping bills.

Hence, the committee did not accede to the request.

Case No.28: M/s. Kalpesh Synthetics P. Ltd., Mumbai.

F.No. 01/60/162/673/AM17/PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject: - Request for revalidation of DFIA No.0310766090 dt.15.01.2014.

Decision: The Committee noted that the shipping bill number 1024820 dated 13.02.2014 port code INNSAI was utilised for availing Chapter-3 incentive. However, while applying for EODC, the applicant had attached the said shipping bill with File No 03/87/076/00072/AM14 instead of File No 03/87/76/74/AM14. The applicant pursued the matter with RA/H.Q. and finally he succeeded to file application for EODC and transferability on 28.02.2016. Meanwhile, the DFIA lost its validity. As per NIC report, the amendment was accepted by ICEGATE finally on 02.12.2016. Taking into consideration these facts, the committee decided to allow 6 months' revalidation from the date of endorsement. The applicant is directed to get the endorsement from RA within one month from the date of uploading of these minutes on the Directorate website.

(Action: RA, Mumbai)

Case No.29: M/s. Scott-Edil Pharmacia Ltd., Chandigarh.

F.No. 01/60/162/1018/AM17/PRC

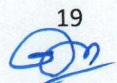
PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject: - Request for EOP extension of Advance Authorization No.2210015155 dt.30.12.2014.

Decision: The Committee observed that the Authorisation was issued having initial obligation period of 18 months. RA has allowed one extension of six months as per policy. The applicant has almost imported fully the items permitted against the Authorisation but effected only 0.009% exports. The applicant submitted that they obtained the Authorisation against export order placed by buyer from Syria. However, due to political disturbance in Syria, buyer did not pick up the goods and cancelled export order. Then they tried to export the goods to buyer in Afghanistan. Now, they have received US\$ 99950 as advance payment from M/s AK NAK TUR AKARYAKITTAH of Turkey. They therefore requested to allow extension up to 29.06.2017.

Taking into consideration the political situation in Syria and now the applicant has received advance payment from Turkey, the committee decided the following:



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- I. Export obligation period be extended for further six months i.e. upto 30.06.2017.
- II. This is subject to a payment of composition fee @ 0.5% per month on unfulfilled FOB value of export made/to be made after 31.12.2016 but upto 30.06.2017.
- III. RA shall check that import of drug was made from registered sources only.
- IV. The applicant shall furnish proof of Advance payment of US\$ 99950 claimed to have been received by the applicant.
- V. The minimum value addition of 15% as prescribed under Para 4.09 of FTP (2015-2020) shall be maintained.

(Action: RA, Chandigarh)

Case No.30: M/s. Jindal Saw Ltd., New Delhi.

F.No. 01/60/162/575/AM17/PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject: -Request for revalidation of DEPB No.3110052311 dt.10.01.2012 and removal of Errors.Issued from RA Pune.

Decision: The committee noted that the applicant was issued DEPB on 10.01.2012 having validity of 24 months. As stated by the applicant, the said DEPB was not transmitted to ICEGATE. However, as per RA, Pune report, the error was cleared on 03.11.2014. The applicant should have had approached PRC after ratification of the error. They have approached PRC only on 29.07.2016 that is after laps of one and half year without any justification for not approaching PRC immediately. The committee, therefore, did not accede to the request.

Case No.31: M/s. Bharat Parenterals Ltd., Vadodara.

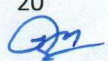
F.No. 01/60/162/867/AM16/PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject: - Request for (i) clubbing of two AAs No.3410034190 dt. 23.05.2012 & 3410038772 dt. 20.12.2013 and (ii) waiver on production of destruction certificate for excess raw material imported used in finished product exported under Advance Authorization NO.3410036506 dt.22.03.2013.

Decision: The committee noted that the applicant obtained two Authorisation Nos.3410034190 dt. 23.05.2012 & 3410038772 dt. 20.12.2013 under PC-9 read with Appendix-30A, which allows import of drug from unregistered sourced with pre-import condition and 12 months' export obligation period from import of each consignment.

Import under Authorisation No No.3410034190 dt. 23.05.2012 was made on 07.06.2012. Accordingly, export obligation period was upto 31.06.2013. The applicant has stated to have fulfilled 80.65% export obligation within initial obligation period. However, the applicant could not fulfill remaining export obligation due to cancellation of export order due to delay in getting Narcotics import permission from Ministry of Mozambique and NOC from Central Bureau of Narcotics, Gwalior. However, the submissions were not found convincing by the committee due to the reason that if NOC was a problem, then how was it possible for the applicant to export 80%. The committee normally allows clubbing of such Authorisations provided exports in the



subsequent Authorisation are made within 18 months from the date of import of first consignment under earliest Authorisation. This condition is also not met in this case. The committee, therefore, did not accede to the request.

The applicant is hereby directed to get the cases regularized in terms of Para 4.49 of HBP, 2015-20 and follow the requirement of PC-18 dated 30.10.2007 for unutilized quantity.

(Action: RA, Vadodara; if the applicant fails to get the case regularized within a month from the date of uploading of these minutes on the Directorate website, action under the provision of FT(DR) Act, shall be initiated.)

Case No.32: M/s. Nadia Exim, Bangalore.

F.No. 01/60/162/643/AM17/PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject: -Request for grant eligible IEIS annual basis.

Decision: The committee noted that Incremental Export Incentive Scheme (IEIS) did not exist for the year 2014-15. Hence question of any relaxation does not arise.

The committee, therefore, rejected the request for considering IEIS.

Case No.33: M/s. Electrotherm (India) Ltd., Gujarat.

F.No. 01/60/162/509/AM17/PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject: - Request for clubbing of 4 Advance Authorizations No.(i) 0810067212 dt. 18.09.2007; (ii) 0810076002 dt. 18.11.2008; (iii) 0810076004 dt. 18.11.2008 & (iv) 0810076001 dt.18.11.2008.

Decision: The Committee observed that the purpose of Clubbing of two or more Authorisations is to regularize shortfall in one Authorisation by excess exports in subsequent Authorisation(s). No export and import is permitted after the Authorisations are allowed to be clubbed. The Committee, however, observed that in this case under consideration there is shortfall in all 4 Advance Authorisations. Thus no purpose would be served by clubbing. Hence, the Committee decided to reject the request. The applicant is directed to get individual Authorisations regularized in terms of Para 4.49 of HBP, 2015-2020.

(Action: RA, Rajkot)

Case No.34: M/s. EICL Ltd., Trivandrum.

F.No. 01/60/162/069/AM17/PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject: -Request for relaxation against Advance Authorization No.5310015730 dt.21.09.2012--condonation of procedural lapse in not mentioning the Authorization No. in the S/Bill.

Decision: The committee noted that the exports were made declaring intent to avail chapter-3 incentive by the exporter. However, detail of Advance Authorisation was not indicated on Shipping Bill. In terms of Para 4.12 of FTP, exporter shall declare



consumption of inputs on shipping bills. EODC cannot be issued without establishing consumption of duty free inputs. Further, in terms of Para 4.42 of HBP, 2015-2020, export made after generating of File No or issue of Advance Authorisation shall only be taken into account for discharge of export obligation. Therefore, indicating Authorisation No or File No is mandatory for accounting of shipping bills towards discharge of export obligation against Advance Authorisation. Without it correlation of shipping bill with the Authorisation is not possible. The committee, therefore, did not accede to the request.

The applicant is directed to get the case regularized in terms of Para 4.49 of HBP, 2015-2020.

(Action: RA, Trivandrum)

Case No.35. M/s. Ruksh Exim P. Ltd., Kanpur.

F.No.01/60/162/835/AM17/PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject: -Request for revalidation of DFIA No.0610038072 dt.19.02.2015.

Decision: The Committee noted that the DFIA was revalidated upto 18.08.2016 by RA. However, as per NIC report, the amendment was accepted by ICEGATE on 29.06.2016. The applicant could not utilize the authorization for 2 months and 10 days out of total revalidated period of 6 months. The committee, therefore, decided to grant revalidation of 3 months from the date of endorsement. The applicant is directed to get the endorsement from RA within one month from the date of uploading of PRC minutes on the Directorate website.

(Action: RA, Kanpur)

Case No.36. M/s. Sukaso CeracolorsPvt. Ltd., Hyderabad.

F.No. 01/60/162/968/AM17/PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject: - Request to condone the technical error and regularize the Advance Authorization No.0910041758 dt.22.04.2010.

Decision: The case was deferred for comments of Export Policy Section.

Case No.37.M/s. Sukaso CeracolorsPvt. Ltd., Hyderabad.

F.No.01/60/162/967/AM17/PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject: -Request to condone the technical error and regularize the Advance Authorization No.0910039072 dt.27.08.2009.

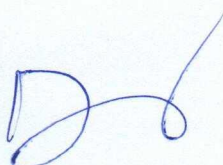
Decision: The case was deferred for comments of Policy Section.

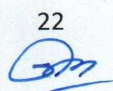
Case No.38: M/s. Sukaso CeracolorsPvt. Ltd., Hyderabad.

F.No. 01/60/162/966/AM17/PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject: - Request to condone the technical error and regularize the Advance Authorization No.0910049785 dt.18.11.2011.



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Decision: The case was deferred for comments of Policy Section.

Case No.39. M/s. Sukaso Ceracolors Pvt. Ltd., Hyderabad.

F.No.01/60/162/962/AM17/PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject: -Request to condone the technical error and regularize the Advance Authorization No.0910043873 dt.11.10.2010.

Decision:

The case was deferred for comments of export Policy section.

Case No.40. M/s. Sukaso Ceracolors Pvt. Ltd., Hyderabad.

F.No. 01/60/162/965/AM17/PRC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject: - Request for condoning the technical error and regularize the Advance Authorization No.0910048701 dt.09.09.2011.

Decision:

The case was deferred for comments of Export Policy Section.

Case No.41: M/s. FCA India Automobiles Pvt. Ltd. (formerly known as "Fiat Group Automobiles India Pvt. Ltd.).

F.No. 01/89/180/14/AM-10/ PC-2A

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject: -Request for relaxation of policy condition 2 [II] [f] of Chapter 87 of ITC [HS], 2017, Schedule – I [Import Policy] for import of 19 [13 Nos. – Jeep & 6 Nos. – Tipo] New Vehicles for R&D, testing purpose.

Decision:

The Committee after due deliberations decided to relax policy condition No. 2 [II] [f] of Chapter 87 of ITC [HS], 2017, Schedule – I [Import Policy] for import of 19 [13 Nos. – Jeep & 6 Nos. – Tipo] New Vehicles for R&D, testing purpose, subject to necessary approval from the concerned authorities, for plying on Indian roads. The import of the said vehicles shall be subject to the following conditions:

- I. The vehicles shall be imported through authorized ports only.
- II. These imported vehicles shall not be sold in India.
- III. These vehicles shall either be re-exported or destroyed after completion of R&D / testing.

Case No.42. M/s. Reecolmpex India, Gurgaon

F.No. 01/91/110/59/AM-15/EC

PRC Meeting No. 32/AM17 dated 07.03.2017 and 09.03.2017

Subject: - Request for grant of extension of EOP against Export License No. 0550003405 dt. 18.06.2015, as only 19 months granted against 24 months available under the policy.



Decision: The Committee observed that the applicant has been granted only 19 months for completion of export obligation whereas the Policy stipulated period of 24 months, including initial 7 months in original export license and 12 months extension in Export Obligation Period in two spells of six months each. The applicant has completed more than 50% of its stipulated export obligation during the initial / extended export obligation period. Hence, the Committee decided to grant 5 months further extension from the date of endorsement.

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

