GOVERNMENT OF INDIA
DEPARTMENT OF COMMERCE
MINISTRY OF COMMERCE AND INDUSTRY
DIRECTORATE GENERAL OF FOREIGN TRADE (PC IV SECTION)

Policy Circular No 14 (RE-01)/ 2001-2002 Dated:19th October, 2001

To,
ALL CONCERNED

Subject: Settlement of audit objections wherever Special Import Licence (SIL) was called for .

This office had received numerous representations on the modus operandi for settlement of audit objections wherever the surrender of Special Import Licence (SIL) was mandated as per the prescribed provisions of the Policy/ Instructions.

The matter was deliberated upon in the Policy Review Committee meeting held on 13.08.2001 wherein the Committee while weighing considerations like the prevalent premium on SIL in the period prior to its removal, the quantum of the penal provisions applicable as per the policy etc. decided that wherever on account of audit objections, the instructions allowed the surrender of SIL, the same would be replaced by payment of an amount equivalent to 1% of the value of SIL to be surrendered.

The regional offices of the DGFT are hereby requested to settle all their audit objections requiring the surrender of SIL (which is now defunct) as per the aforesaid decision of the Policy Review Committee. The amount deposited would be through a TR in the authorized branch of the Central Bank of India under the Head of Account : “1453 – Foreign Trade and Export Promotion” and Minor Head : 102.

This issues with the approval of the DGFT.

Bipin Menon
Dy Director General of Foreign Trade

(File No: 01/94/180/52/AM02/ PC IV)