

Minutes of the 13th Meeting of the Inter-ministerial Committee (IMC) to consider applications for recognition as Pre-shipment Inspection Agency (PSIA)

The 13th meeting of the Inter-Ministerial Committee (IMC) was held on 28.3.2019 in Room No. 4, H-Wing, Udyog Bhavan, New Delhi at 2.30 pm under the Chairmanship of Shri K.C. Rout, Addl. DGFT to consider (i) extension of period of validity of those PSIAs whose term is ending in 2019 (ii) addition of areas of operation of recognized PSIAs whose requests were deferred in the 12th IMC meeting, and (iii) deferred cases of applicants seeking recognition as PSIAs as in the 12th IMC Meeting held on 9.2.2018

2. The following members attended the meeting:

- i. Shri S.P. Roy, Jt. DGFT
- ii. Shri Ajeet Singh, SO, AERB
- iii. Shri NandLal, Consultant, DIPP
- iv. Shri Nirmal Kumar, Dy. DGFT

3. The Committee was informed that 37 PSIAs have been notified in Appendix 2G. Out of these 37 recognised PSIAs, validity of 17 PSIA's will expire in next two months by 30.5.2019. The Committee was informed that some PSIA's have requested for extending the validity of their license.

4. The Committee observed that as per Public Notice No. 12/2015-2020 dated 18.5.2015, the recognized PSIAs will be notified under Appendix 2G for a period of three years. At the end of 3 years these agencies have to make a fresh application to be notified as a PSIA under Appendix 2G. However, the PSIAs listed above have only requested for extension and not applied afresh. The Committee also observed that in the last meeting it had decided not to consider fresh applications until DGFT issues a Public Notice/Trade Notice inviting such applications. Considering that this may have led to the existing PSIAs to seek extension, rather than apply afresh, the Committee decided to examine the requests.

5. On this ground, the Committee having perused the list /Appendix 2G observed that there are 17 PSIAs whose validity is expiring by 30.5.2019. It accordingly decided to recommend extension of the validity of the listed PSIAs in Appendix 2G for a period up to 30.6.2019 for all those PSIAs whose validity is expiring on or before 30.6.2019. It further recommended that fresh applications be invited for enlistment as PSIAs under Appendix 2G by the 15th of May, 2019. These applications can then be considered in the next meeting which may be scheduled in the month of May/June of 2019..

6. The Committee thereafter considered the requests for addition of countries in the area of operation of the PSIA's (Annexure I). It observed that out of 7 such requests, validity expires before 31.12.2019 in six of these cases. Since the committee has decided to examine fresh applications in May/June, it accordingly decided that it would be appropriate to consider request for addition of countries in the next meeting to be scheduled in May/June. Applicants seeking extension in their area of operation may indicate these areas in their fresh applications. The request in the remaining one case will also be considered in the next meeting.

7. The Committee further noted that four applicants viz. M/s NQAQSR, North America, M/s Ravi Energie, Baroda, M/s Ravi Energie, USA and M/s Ravi Energie, Gulf whose cases were either deferred or rejected in the 11th and 12th IMC Meeting have requested for reconsideration of their applications.

8. The Committee observed that in the case of M/s NQAQSR, North America its application was deferred in the 12th meeting of PSIA held on 9.2.2018 as a show cause notice had been issued to the firm. Now since the Reviewing Authority has set aside the order of debarment of the firm from applying as PSIA; the firm has reapplied. Since the firm did not submit its documents till the date of the meeting, the Committee decided to defer the case until the next meeting.

9. In the cases of M/s Ravi Energie, Baroda, M/s Ravi Energie, Gulf FZC and M/s Ravi Energie, USA, the Committee observed that as the adjudication proceedings were dropped against the firms their application was considered in the 12th Meeting of PSIA. Their cases were however, rejected as their instruments were not calibrated by an AERB affiliated agency. The Committee further observed that in the 12th Meeting of PSIA, it was decided that applicants whose applications have been rejected earlier or in the 12th IMC meeting may apply afresh, only if such applications are sought in future. The Committee was also informed that other applicants, whose applications were rejected in the previous IMC meetings, when they had sought to know whether they could apply afresh, they had all been advised to apply for recognition as PSIA only when such applications are invited. In this background, the Committee noted that it will not be appropriate to take a decision to approve/reject the cases of M/s Ravi Energie, when others have been precluded from applying. It accordingly recommended that fresh applications be called for and applicants be advised to apply afresh along with processing fees and renewed Bank Guarantees.

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