

MINUTES OF THE POLICY RELAXATION COMMITTEE
MEETING NO.05/AM06 HELD ON 8TH AUGUST, 2005

The meeting was held under the Chairmanship of DG and the list of officers present in the meeting is given in Annexure-I.

The decision taken in each individual case taken up for discussion by PRC is detailed below:

Case No.	1.
Firm's Name	Engineering Export Promotion Council
File No.	01/81/162/57/AM05/ DES- II
Subject:	Conversion of Free S/bills into Scheme S/Bills.

The Committee considered the case as per details given in the Agenda. This case had come up before the PRC on 5.7.2005 wherein it had been decided to have the comments of EP (Engineering) division of the Deptt of Commerce as to on what premise that authority had fought the CVD case with Govt. of USA and whether the decision on the same was in favour of the Govt. of India based upon the stand taken that benefits of DEPB were not claimed/ allowed in these cases. The OM received from the DOC and annexed to this agenda however, does not address this question. It simply states that revocation of CVD Order came in effect from 1.1.2000. It was therefore decided that a copy of the submission made by DOC before the USA Govt. should be procured and details thereof examined and put up before the Committee with the specific reference as to whether the issue of DEPB had come up in the arguments put forth by the Govt.

It was also seen that as per the communication received from the DOC, the revocation of CVD had come into effect from 1.1.2000 and therefore the plea that the exporter was not able to file DEPB S/ Bills after this critical date is irrelevant. However, before taking a view it was also decided to have the details of the S/ Bills alongwith date of exports in respect of S/ Bills where the conversion has been sought. The case be put up before the Committee once more after the details are received.

Case No.	2.
Firm's Name	M/s. Roos Tempkool Ltd., Kolkata
File No.	01/81/162/1040/AM05/DES- II
Subject:	Revalidation of advance licence No.0210011925 dated 10.5.2000.

The Committee considered the case as per details given in the Agenda. The Committee observed that in the instant case the office of Zonal Jt.DGFT, Kolkata had processed the case of EO discharge at a snails pace and by sending piece mill objections to the applicant. It was decided that Zonal Jt.DGFT, Kolkata may be advised to carry out the study of the case relating to delay in processing EO discharge case and reasons behind piece meal objections having been raised as also fix the responsibility for such callous attitude on the part of the officers/officials dealing with this case.

Onus of the delay being on the RLA concerned, it was decided to revalidate the licence for a period of six months and this six month period shall commence from the date such endorsement is made on the licence.

Case No.	3.
Firm's Name	M/s. Nectar Lifescience Ltd., Chandigarh
File No.	01/94/162/702, 704, 746/DES-IV
Subject:	Extension of EO period for Advance licenses issued for import of Penicillin G as raw material.

The Committee considered the case as per details given in the Agenda. The applicant had sought extension in respect of 3 licences 2 of which had been issued in September 2002 and 3rd one in June 2002. It was seen that in all the 3 cases, Policy Circular dated July 2004 had come into effect after the initial EO period was over. Therefore, onus was on applicant to have filed their request for seeking extension in EO period before the critical date in the month of July 2004 which they have not done. Further, there are no justified reasons as to why that they had not been able to fulfill the EO in the initial EOP prescribed. It was also brought to the notice of the Committee that GRC had also rejected this case particularly taking into account the sensitivity of the item of import and PRC concurred with the views expressed by the GRC, and decided to reject the request for EO extension.

Case No.	4.
Firm's Name	M/s. Asia Cables, Chennai
File No.	01/80/162/1698/AM05/DES-1
Subject:	Revalidation of advance licence No. 0410026011 dated 2.5.2002.

The Committee considered the case as per details given in the Agenda. The Committee observed that the onus of delay in the instant case was on the Regional Licensing Authority who had changed the description/ carried out the amendment in the licence by describing 'CC Copper Rod' to read as 'Continuous Cast Copper Rod' after a considerable delay. The Committee, therefore, agreeing with the recommendation of the ALC decided to revalidate the licence for a period of 6 months. The 6 months period shall commence from the date such endorsement is made on the licence.

Case No.	5.
Firm's Name	M/s. Adinath Cables & Conductors Pvt. Ltd., Jaipur
File No.	01/80/162/1574/AM05/DES-I
Subject:	Revalidation of advance licence No.1310006228 dated 4.7.2002.

The Committee considered the case as per details given in the Agenda. The representative of the ALC present in the meeting informed that the applicant had come before the Chairman ALC-2 and showed all the documents relating to fulfillment of EO and the Chairman ALC-2 being convinced that EO had actually been fulfilled, had decided to recommend this case to PRC for revalidation. When being asked as to why the Show Cause Notice was issued by the RLA on the aspect of non fulfillment of EO when the application was actually complete and EO had been fulfilled, it was informed that ALC had earlier sought a report from RLA concerned as to why the EO discharge certificate had not been issued when the EO was fulfilled, and instead of responding to the same, RLA concerned had issued a SCN to the applicant. The Committee was further informed that ALC is taking up this issue with the RLA concerned separately. In the meantime, PRC agreeing with the recommendation of ALC decided to revalidate the licence for a period of 6 months subject to payment of a composition fee of 2% on the unutilized CIF value of the licence. This 6 months period shall commence from the date such endorsement is made on the licence.

Case No.	6.
Firm's Name	M/s. Adinath Cables & Conductors Pvt. Ltd., Jaipur
File No.	01/80/162/1575/AM05/DES-I
Subject:	Revalidation of advance licence No.1310006227 dated 4.7.2002.

The Committee considered the case as per details given in the Agenda. The representative of the ALC present in the meeting informed that the applicant had come before the Chairman ALC-2 and showed all the documents relating to fulfillment of EO and the Chairman ALC-2 being convinced that EO had actually been fulfilled, had decided to recommend this case to PRC for revalidation. When being asked as to why the Show Cause Notice was issued by the RLA on the aspect of non fulfillment of EO when the application was actually complete and EO had been fulfilled, it was informed that ALC had earlier sought a report from RLA concerned as to why the EO discharge certificate had not been issued when the EO was fulfilled, and in stead of responding to the same, RLA concerned had issued a SCN to the applicant. The Committee was further informed that ALC is taking up this issue with the RLA concerned separately. In the meantime, PRC agreeing with the recommendation of ALC decided to revalidate the licence for a period of 6 months subject to payment of a composition fee of 2% on the unutilized CIF value of the licence. This 6 months period shall commence from the date such endorsement is made on the licence.

Case No.	7.
Firm's Name	M/s. ACME Conductors Pvt. Ltd., Jaipur
File No.	01/81/162/1584/AM05/DES-I
Subject:	Revalidation of advance licence No.1310006281 dated 9.7.2002

The Committee considered the case as per details given in the Agenda. The representative of the ALC present in the meeting informed that the applicant had come before the Chairman ALC-2 and showed all the documents relating to fulfillment of EO and the Chairman ALC-2 being convinced that EO had actually been fulfilled, had decided to recommend this case to PRC for revalidation. When being asked as to why the Show Cause Notice was issued by the RLA on the aspect of non fulfillment of EO when the application was actually complete and EO had been fulfilled, it was

informed that ALC had earlier sought a report from RLA concerned as to why the EO discharge certificate had not been issued when the EO was fulfilled, and in stead of responding to the same, RLA concerned had issued a SCN to the applicant. The Committee was further informed that ALC is taking up this issue with the RLA concerned separately. In the meantime, PRC agreeing with the recommendation of ALC decided to revalidate the licence for a period of 6 months subject to payment of a composition fee of 2% on the unutilized CIF value of the licence. This 6 months period shall commence from the date such endorsement is made on the licence.

Case No.	8.
Firm's Name	M/s. Zakaria Book Depot, Saharanpur.
File No.	01/94/180/DEPB/AM05/DES-IV
Subject:	Rejection of DEPB application as time-barred.

The Committee considered the case as per details given in the Agenda. The Committee agreeing with the plea put forth by the applicant of having submitted the application well in time and not having been able to collect their deficiency etc. from the office due to illness of the Proprietor decided to relax the provision of the policy and treat the application submitted on 10.2.2005 as having been submitted in time for the purpose of benefits proposed to be availed against the said application.

Case No.	9.
Firm's Name	M/s. Maruti Udyog Ltd., Gurgaon
File No.	01/93/180/M-108/PC-1B
Subject:	Sale of vehicle imported against R&D Certificate in the open market.

The Committee considered the case as per details given in the Agenda. The Committee rejected the request of the applicant to dispose off the Suzuki Baleno Wagon Passenger Car which had been imported against the R&D certificate. It was further decided to advise the applicant to re-export this car as applicable to vehicles imported for R&D purposes without following homologation procedure.

The meeting ended with vote of thanks to the Chair.

LIST OF PARTICIPANTS

1. Ms. Seema Bahuguna, Addl.DGFT
2. Shri Surat Singh, Addl. DGFT
3. Shri S.K.Prasad, Addl. DGFT
4. Shri Vipin Saxena, EC
5. Shri Anil Bamba, Jt. DGFT
6. Shri A.K.Singh, Jt. DGFT
7. Shri S.B.S. Reddy, Jt. DGFT
8. Shri Anil Aggarwal, Jt. DGFT
9. Shri Tapan Mazumdar, Jt.DGFT
10. Shri P.K.Santra, Dy. DGFT
11. Smt. Kiran Sehgal, Dy. DGFT
12. Shri M.K.Parimoo, Dy.DGFT
