

MINUTES OF THE POLICY RELAXATION COMMITTEE
MEETING NO.06/AM06 HELD ON 1st September, 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	M/s. Moserbaer India Ltd., New Delhi
File No.	01/92/180/108/AM06/PC-II
Subject:	Inter-unit transfer of material between group of companies in EOUs

The Committee considered the case as per details given in the Agenda. The Committee accorded ex-post-facto approval for inter-unit transfer of the raw materials between the two different units of the same company in the instant case subject to prior intimation to be given to the jurisdictional central excise authority and Development Commissioner and maintenance of proper accounts both by the transferor unit and the transferee unit.

Case No.	2.
Firm's Name	M/s. Upper India Tannery (P) Ltd., Kanpur
File No.	01/84/50/172/AM03/ DES-V
Subject:	Grant of EOP extension in r/o advance licence No.0610001800 dated 16.3.2001 without imposing penalty.

The Committee considered the case as per details given in the Agenda. The Committee did not agree to the proposal of ALC to relax the condition of payment of composition fee. It was decided that the policy in force is for extending the Export Obligation period on payment of applicable composition fee.

Case No.	3.
Firm's Name	M/s. Jindal Yarn Pvt. Ltd., Panipat
File No.	01/84/162/70/AM06/ DES-V
Subject:	Request for regularization of supplies to SEZ in place of physical exports in r/o advance licence No.3310003528 dated 23.1.04 for grant of EODC.

The Committee considered the case as per details given in the Agenda. The Committee observed that in the current Foreign Trade Policy, supplies to SEZ units is treated as physical exports for all practical purposes and therefore decided that the supplies made to SEZ units in the instant case be accepted towards discharge of export obligation subject to compliance of other usual conditions and verification of original documents by the RLA concerned to their satisfaction.

Case No.	4.
Firm's Name	M/s Deepak Exports, Phagwara.
File No.	01/84/162/375/AM05/DES-V
Subject:	Extension in EOP in r/o advance licence No.30001196 dt. 04.05.1999.

The Committee considered the case as per details given in the Agenda. The Committee agreed to allow EO extension in this case upto 30.11.2002 for regularization purposes only subject to payment of applicable composition fee as per current Foreign Trade Policy.

Case No.	5.
Firm's Name	M/s. Daimler Chrysler India P.Ltd., Pune
File No.	01/93/180/M-107 /Am05/PC-I(B)
Subject:	Request for relaxation of Homologation condition against car imported prior to issuance of Notification No. 34. dt. 9.2.2004.

The Committee considered the case as per details given in the Agenda. It was observed that in the instant case it is the same manufacturing company that has brought in the car and therefore agreed to relax provision of following homologation procedure for imports.

Case No.	6.
Firm's Name	M/s. Superking Manufacturers (Tyre) P. Ltd., Delhi.
File No.	01/87/162/466/AM05/DES-VIII
Subject:	Grant of revalidation of adv.Lic. No.0510045470 dt. 18.10.2001.

The Committee considered the case as per details given in the Agenda. The Committee was informed that the applicant had submitted request for revalidation of the licence in the month of January 2004 which was allowed to them upto 30.4.2004 but licence was handed over to them only six days before the expiry of this critical date and therefore onus was on the RLA concerned and not on the exporter. It was therefore decided to relax the policy provision and allow revalidation for six months which will commence from the date such revalidation is endorsed on the licence. The Committee also decided that head of the RLA concerned should be asked to take suitable disciplinary action against erring official who held the licence for near about four months and action taken report to this effect be forwarded to headquarters.

Case No.	7.
Firm's Name	M/s. Nectar Lifescience Ltd.
File No.	01/94/162/702/AM05/ DES-IV 01/94/162/704/AM05/DES-IV 01/94/162/346/AM05/DES-IV
Subject:	Extension of EOP for adv. Licence issued for import of Penicillin G as raw material.

The Committee considered the case as per details given in the Agenda. This case had come up on an earlier occasion when it was not agreed to allow any relaxation. However, based upon the fresh inputs from the applicant which stated that 89% of the export obligation had been fulfilled against the subject licences in question taken together and only 11% of export obligation remained to be fulfilled, it was decided to allow EO extension for a period of six months subject to payment of applicable composition fee as per current Foreign Trade Policy. The composition fee shall be payable on all exports made beyond the prescribed EO period as per Foreign Trade Policy.

Case No.	8.
Firm's Name	M/s. Ranbaxy Laboratories Ltd.
File No.	01/82/162/758/AM04/DES-III
Subject:	Request for revalidation of 5 post export DEPBs.

The Committee considered the case as per details given in the Agenda. The Committee was informed that the customs authorities had confirmed that because of the delay in seeking technical inputs, the DEPBs in question could not be registered and consequently the exporter could not utilize the same. It was therefore decided to revalidate DEPB licence No.0510069300 dated 26.9.2002, No.0510069456 dated 30.9.2002, No.0510070403 dated 11.10.2002, No.0510072113 dated 6.11.2002, No.0510072112 dated 6.11.2002 and supplementary DEPB licence No.0510089272 dated 8.5.2003 for a period of six months and this six month period will commence from the date such endorsement of revalidation is made on these licences.

Case No.	9.
Firm's Name	M/s. Engineering Export Promotion Council
File No.	01/81/162/57/AM05/ DES-II
Subject:	Request for conversion of free/white S/bills into DEPB S/bills of various of sanitary items.

The Committee considered the case as per details given in the Agenda. The Committee observed that the inputs from the Deptt of Commerce reveals that CVD case was not fought on the premise and stand that DEPB would not be claimed/ allowed in these cases. The Committee also felt that there is considerable merit in the instant case for S/Bills having not filed under DEPB scheme as a circular to this effect was issued by the EEPC directing exporters not to claim these benefits as this may hamper the CVD case with the Govt. of United States. The Committee was however informed that there are a few cases pending in various courts where Govt. has taken a stand against conversion of free S/ Bills into DEPB S/ Bills and allowing the conversion in the present case can go against the Department in this pending Court cases. It was therefore decided that a detailed proposal with background etc. on such pending cases be put up within three weeks for a policy decision at the highest level.

The meeting ended with vote of thanks to the Chair.

LIST OF PARTICIPANTS

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