

MINUTES OF THE POLICY RELAXATION COMMITTEE MEETING
NO.07/AM06 HELD ON 19th 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. Arraycom (I) Ltd., Gandhinagar.
File No.	01/94/180/64/AM06/PC-IV
Subject:	Condonation of remaining EO pf 14.40% against EPCG licence No.D/2474228 dated 9.12.1999.

The Committee considered the case as per details given in the Agenda. In this case the applicant has sought condonation of shortfall in export obligation to the extent of 14.40%. It has been pleaded that against the licence issued in December 1999 they had fulfilled more than 75% of the EO within a period of 2-1/2 years itself and on the whole were able to achieve 85.60% of EO imposed. It has also been pleaded that because of fire in their factory premises, they are not in a position to fulfill the balance EO.

This case had come up before the Policy Relaxation Committee on 5.7.2005 when it was decided that the RLA at Ahmedabad should verify that the factory had been gutted in fire. The report to this effect has been received from the RLA and RLA at Ahmedabad has confirmed that the premises of the company was damaged by the fire as found by a team of the officials from that office who had visited the factory. They have also forwarded photographs, FIR, Police Panchnama and other related documents to prove this fact.

It was noted that the Foreign Trade Policy as on date provides that wherever the licence holder fulfills 75% or more EO under the scheme in less than half the EO period specified on the licence, remaining EO shall be condoned and the licence redeemed by the licensing authority concerned. Although this provision is applicable only for licences issued after 1.4.2005, special circumstances prevailing in the instant case were taken into consideration and in relaxation to the policy, it was decided to apply this provision against subject licence as well and condone shortfall in export obligation to the extent of 14.40% as requested by the applicant.

Case No.	2.
Firm s Name	M/s. Bajaj Tempo Ltd.
File No.	01/80/162/772/AM05/DES-I
Subject:	Extension in EO period against advance licence No. 3110000536 dt. 31.01.2000.

The case was withdrawn by the concerned division.

Case No.	3.
Firm s Name	M/s. Steel Authority of India Ltd., New Delhi
File No.	01/81/162/434/AM 06/DES-II
Subject:	Revalidation of 25 Nos. of DFRC issued during the period 2002 and 2003.

The Committee considered the case as per details given in the Agenda. The Committee took note of the fact that the applicant in the instant case cannot be put at fault for not utilizing the DFRC issued with its initial validity because of the procedural problems they faced both at Customs and DGFT. In fact, the matter had come up in Policy Interpretation Committee as well upon which this issue was taken up with concerned Commissionerate, Patna so that necessary certificate of fulfilling of requirement of PN dated 19.6.2000 be issued to them.

Keeping this in mind, it was decided that all 25 Nos. of DFRC as per list available in the Agenda be revalidated for a period of six months and this six months period will commence from the date of endorsement of such revalidation on these DFRCs.

Case No.	4.
Firm s Name	M/s. Alembic Ltd., Baroda
File No.	01/87/162/299/AM 06/DES-VIII
Subject:	Grant of EOP extension in r/o advance licence No.3410004499 dated 25.6.2002 issued for import of Potassium Penicillin G etc.

The Committee considered the case as per details given in the Agenda. Taking into account the nature of sensitivity of Potassium Penicillin G the item imported in the instant case, and taking into consideration the fact that request for the endorsement of an alternate product was received near about one year after issue of instructions about not allowing further extension in EO where Penicillin G was an input, it was decided to reject the request of further extension in EO period.

Case No.	5.
Firm s Name	M/s. Associate Exports, Mumbai.
File No.	01/91/180/451/AM 06/PC-III
Subject:	Extension in validity period of the contracts registered with CAPEXIL.

The Committee considered the case as per details given in the Agenda. The Committee agreed to allow extension in the validity period of contract No.49 dated 1.2.2005 for export of balance quantity of 307 CFT and contract No.55 dated 16.3.2005 for export of balance quantity of 5792 CFT registered with CAPEXIL. The extension will be for a period of three months and this three months period will commence from the date such endorsement of extension is made on the licence.

The meeting ended with vote of thanks to the Chair.

LIST OF PARTICIPANTS

1. Ms. Seema Bahuguna, Addl.DGFT
2. Dr(Ms.) Maya D.Kem, Addl.DGFT
3. Shri Surat Singh, Addl.DGFT
4. Shri S.K.Prasad, Addl. DGFT
5. Shri P.C. Tripathi, Jt.DGFT
6. Dr.(Ms.) Pratima Dikshit, Jt.DGFT
7. Shri A.K.Singh, Jt. DGFT
8. Shri S.B.S. Reddy, Jt. DGFT
9. Shri Anil Aggarwal, Jt. DGFT
10. Shri Ashutosh Jindal, Jt.DGFT
11. Shri S.K. Srivastava, Dy. DGFT
12. Smt. Kiran Sehgal, Dy. DGFT
13. Shri M.K.Parimoo, Dy.DGFT
