

MINUTES OF THE POLICY RELAXATION COMMITTEE No. 8/2005
HELD ON 13.10.2005

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
Company's Name	M/s. K.K. Rubber Co. (India) Pvt. Ltd.
File No.	01/82/162/634/AM05/DES-III
Subject	Clubbing of advance licences and formula to be applied for paying composition fee.

The Committee considered the case as per the details given in the Agenda. The Committee decided to allow clubbing of these Quantity Based Advance Licences as per paragraph 4.2.4 of the Handbook of Procedures, Vol. 1, 2004-09 and the clubbing shall include those licences pertaining to the period 1992-97 and 1997-2002 subject to the condition that the company shall pay composition fee as per the recently amended Paragraph of the Handbook of Procedures, Vol.1., vide P.N. No. 49 dated 2nd September, 2005.

Case No.	2
Company's Name	M/s. Bommidala Filaments Ltd., Guntur.
File No.	01/37/162/1680/AM04/EPCG-II
Subject	Request for EOP Extension for EPCG licence

The Committee considered the case as per details given in the agenda and it was noted that the Grievance Redressal Committee, DOC has already recommended the case to PRC for grant of EO period extension. The Committee decided to grant one year further export obligation period extension in relaxation of Para 5.11 of the HBP subject to imposition of additional EO at the rate of 10%

per year or payment of applicable composition fee, at the choice of the exporter.

Case No.	3
Company's Name	M/s Associated Capsules Pvt Ltd, Pune
File No.	1/87/162/200/AM-05/DES-VII
Subject	Extension in EO period under advance licence for annual requirement dated 6.7.01

The Committee considered the case as per details given in the agenda. The Committee decided to allow extension of the EO period for the purpose of regularization subject to the condition of payment of composition fee at the rate of 2% of the Duty saved amount as per the PN No. 49 dated 2.9.05.

Case No.	4
Company's Name	M/s. NALCO
File No.	1/92/180/190/AM-96/ Policy-II
Subject	Extension of period of adjustment of advance DTA sale permission beyond 2.6.2005.

The Committee considered the case as per details given in the agenda. The Committee noted that due to various reasons, there was some delay in getting approval by M/s NALCO for investment of Rs.154 crores and the Board of Approval have recommended this case to DGFT . In view of the above, it was decided to grant extension of 3 years beyond 2.6.2005 for advance DTA sale by the above company.

Case No.	5
Company's Name	Dr. Mrs. Krippendorf Pathank, New Delhi
File No.	1/93/180/73/AM-06/Pol 1-B
Subject	Ex-post facto approval for approval already granted for exempting the condition of Licensing Note (1) (II) (b) (i) to Chapter 87 of ITC (HS)

The Committee considered the case as per details given in the agenda. It was noted that a request was made to DGFT HQ by Dr. Mrs. K. Krippendorf Pathak for import of second hand 94 Model of Left Hand Drive Mercedes Benz Car who is a German national. She has given assurance that the Car will be taken back to Europe on expiry of her residence in India. The Committee decided to give ex-post facto approval for the exemption granted from the condition of Licensing Note 1 (II) (b) (i) of Chapter 87 of ITC (HS) on medical grounds.

Case No.	6
Company's Name	M/s Indian Rayon and Industries Ltd, Rishra
File No.	1/84/162/987/AM-05/DES-V
Subject	Claim for grant of DEPB benefit on blended fabric of flax and cotton/viscose

The Committee considered the case as per details given in the agenda. The Committee decided to agree with the recommendation of ALC to grant DEPB benefit on blended fabric of flax and cotton/viscose in accordance with PN No. 52 dated 1.3.2000, subject to the verification of documents in original by the concerned RLA.

Case No.	7
Company's Name	M/s. Sharp Menthol India Ltd.
File No.	01/94/180/164/Am06/PC-IV
Subject	Request for utilization of credit under Passbook No. 101461 dated 17.7.1996.

The Committee considered the case as per details given in the agenda. The Committee observed that since 3 months restriction on utility of duty credit as per the Policy Circular No. 66 /98-99 dated 17.2.1999 was not specifically endorsed on the Pass Book and the original validity of the one year was not mentioned to that effect at the time of endorsement by the RLA, the company could not utilize the credit. Therefore, the Committee decided to extend the validity of the Pass Book for a further period of 3 months from the date of endorsement by the RLA.

Case No.	8
Company's Name	M/s Larsen & Toubro Ltd, Mumbai
File No.	1/20/944/AM-96/EPCG-I
Subject	Permission for transfer of CGs imported against EPCG Licence dated 14.12.95

The Committee considered the case as per details given in the agenda. The Committee noted that the request of the company is that they may be given permission for transfer of the CGs imported against the subject EPCG licence dated 14.12.95 to another company who is taking over the entire set up and according to the applicant, they have now fulfilled almost the entire EO imposed.

The Committee decided to allow transfer of the CGs imported subject to the condition that M/s L&T submits all the documents towards EO fulfillment. In case there is any shortage of EO fulfillment by the licence holder, BG may be submitted on pro-rata basis for the Duty saved amount.

Case No.	9
Company's Name	M/s. The Arvind Mills Ltd, Ahmedabad
File No.	1/84/162/517/AM-06/DES-V
Subject	Permission for transfer of surplus Naptha purchased under invalidation letter-- advance licence dated 12.8.04

The Committee considered the case as per details given in the agenda. It was decided to permit sale of surplus Naptha procured from Indian Oil Corporation under AL after payment of all applicable duties and interest thereon and fulfillment of other conditions of the licence.

Case No.	10
Company's Name	M/s. Sailakshmi Industries Ltd
File No.	1/92/180/139/AM-06/PC-II
Subject	DTA sale on deemed exports.

The Committee deliberated on the issue and that since supply from one EOU to another is considered as deemed export and not physical export and since the entitlement for DTA sale is based on quantity of physical exports only, the issue needs to be discussed further.

Also, since the goods exported are different from the goods on which DTA sale permission has been sought, the Committee decided to obtain opinion of Board of Approvals (BOA) in the matter as to whether apparel (exported item) can be clubbed with fabric (supplied by another EOU) for the purpose of allowing DTA sale of fabric , against the export turnover, accrued for export of apparels.

Case No.	11
Company's Name	M/s. FDC Limited
File No.	1/53/8/629/AM03/F-24/ILS
Subject	Revalidation of Import Licence No.0350000452 dated 2.7.2003 for 6 months.

The Committee considered the case as per the Agenda. It was decided to revalidate the licence for a further period of six months from the date of endorsement for making import of the remaining items.

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

Annexure-I

LIST OF PARTICIPANTS

1. Ms. Seema Bahuguna, Addl. DGFT
2. Sh. Surat Singh, Addl. DGFT
3. Sh. Sh. S.K. Prasad , Addl. DGFT
4. Shri Vipin Saxena, Export Commissioner
5. Dr.(Ms.) Pratima Dixit, Jt. DGFT
6. Sh. A.K. Singh, Jt. DGFT
7. Sh. S.B.S. Reddy, Jt. DGFT
8. Sh. Anil Aggarwal, Jt. DGFT
9. Sh. Tapan Mazumder, Jt. DGFT
10. Sh. P.K. Santra, Dy. DGFT
11. Smt. Kiran Sehgal, Dy. DGFT