MINUTES OF THE POLICY RELAXATION COMMITTEE MEETING NO.13/AM06 HELD ON 8th February, 2006

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. Raviraj Foils Ltd.
File No.	01/81/162/523/AM06/DES-II
Subject:	Revalidation of advance licence No.0810022719 dt. 16.10.2002.

The Committee considered the case as per details given in the Agenda. The Committee agreeing to the recommendation of the ALC decided to allow revalidation in respect of the subject advance licence for a period of six months and this six months period will commence from the date such endorsement is made on the licence. This will however be subject to payment of 2% composition fee on the unutilized CIF of the licence.

Case No.	2.
Firm's Name	M/s. Shashi Cables Ltd., Lucknow.
File No.	01/81/162/564/AM06/DES-II
Subject:	CIF enhancement and Revalidation of advance licence No.0610005297 dt. 29.4.2003.

The Committee considered the case as per details given in the Agenda. The Committee agreeing to the recommendation of the ALC decided to allow revalidation in respect of the subject advance licence for a period of six months and this six months period will commence from the date such endorsement is made on the licence. This will however subject to payment of 2% composition fee on the unutilized CIF of the licence. As far as the enhancement of CIF and FOB is concerned, the same shall be subject to production of revised PAC showing the enhanced FOB value of the supplies to the satisfaction of Advance Licensing Committee.

Case No.	3.
Firm's Name	M/s. Hindustan Insecticides Ltd.
File No.	01/82/162/333/AM06/DES-III
Subject:	Request for revalidation of six advance licences.

The Committee considered the case as per details given in the Agenda. The Committee agreeing to the recommendation of the ALC decided to allow revalidation in respect of the following six advance licences for a period of six months and this six months period will commence from the date such endorsement is made on the licence. This will however subject to payment of 2% composition fee on the unutilized CIF of the licence:

Lic.No.1010008108 dated 19.02.2002
Lic.No.1010008506 dated 25.03.2002
Lic.No.1010008770 dated 23.04.2002
Lic.No.1010007842 dated 29.01.2002
Lic.No.1010007196 dated 05.12.2003
Lic.No.1010010909 dated 19.02.2002

Case No.	4
Firm's Name	M/s. Silver Cloud Estates Pvt. Ltd., Mysore.
File No.	01/85/162/969 & 971/AM05/DES-VI
Subject:	Request for rectification of norms for black pepper.

The Committee considered the case as per details given in the Agenda. The Committee agreeing to the recommendation of the ALC decided to allow extension in EO period in respect of the subject advance licence for a period of six months and this six months period will commence from the date such endorsement is made on the licence. This will however subject to payment of applicable composition fee as per current FTP.

Case No.	5.
Firm's Name	M/s. Hindustan Composites Ltd.
File No.	01/82/162/196/AM06/ DES-III
Subject:	Request for revalidation of advance licence No.0310116185 dt. 1.10.2002.

The Committee considered the case as per details given in the Agenda. The Committee agreeing to the recommendation of the ALC decided to allow revalidation in respect of the subject advance licence for a period of six months and this six months period will commence from the date such endorsement is made on the licence. This will further be subject to payment of composition fee @2% of unutilized CIF value of the licence and also subject to verification by the RLA that EO has been fulfilled.

Case No.	6.
Firm's Name	M/s. Sandoz Pvt. Ltd.
File No.	01/94/180/39/AM06/PC-IV
Subject:	Request for refund of fee beyond the prescribed period.

The Committee considered the case as per details given in the Agenda. The Committee observed that this was the case of refund of Rs.2,45,199/- towards surrender of DEPB benefits due to non-realization of proceeds which had been deposited by them twice, once with DGFT and once with Customs and the amount deposited with DGFT was refundable. Since the amount of refund is overdue financial approval of AS&FA to this effect has already been obtained in file, there is no need to relax the policy in the instant case and RLA should take appropriate steps to refund the amount due to the applicant immediately.

Case No.	7.
Firm's Name	M/s. Shangri-la, New Delhi (unit of M/s. Hotel Excelsior Limited, New Delhi).
File No.	01/94/162/659/AM06/PC-IV
Subject:	Eligibility of M/s. Hotel Shangri-la, New Delhi to claim benefits under Served from India Scheme based upon forex earned against services provided during the current financial year.

The Committee considered the case as per details given in the Agenda. The Committee observed that allowing Served From India benefits based upon the current year's export performance is not provided in the existing FTP and if the same is accepted it will amount to change in the policy and not mere relaxation. It was therefore decided to reject the request.

Case No.	8.
Firm's Name	M/s. Maruti Udoyg Ltd., Guragon
File No.	01/93/180/M-108/AM05/PC-I(B)
Subject:	Permission to sell Suzuki Baleno Wagon CBU passenger car imported against R&D Certificate, in the domestic market.

The Committee considered the case as per details given in the Agenda. The Committee was not agreeable to the request of the applicant to sell Suzuki Baleno Wagon CBU passenger Car in the domestic market which in fact had been imported against the R&D certificate for R&D purposes. It was therefore decided to reject the request.

Case No.	9.
Firm's Name	Mr. Ashok Wadia, Delhi, Mrs. Aarti Lad, New Delhi.
File No.	01/93/180/M-125/AM05/PC-I(B)
Subject:	Import of Volkswagen car, manufactured in Slovakia, from Germany.

The Committee considered the case as per details given in the Agenda. The Committee after perusing the facts found that in the all the 9 cases detailed below the Volkswagen Car in question have not been imported directly from the country of manufacturer i.e. Slovakia:

1. Mr. Ashok Wadia, Delhi
2. Mr. Jagrit Khaitan, New Delhi
3. Mr. Amit Trehan, New Delhi
4. Mr. Reddy Veeranna, Bangalore
5. Mrs. Arti Lad, New Delhi
6. Mr. S.P. Maheshwari, Bahadurgarh
7. Mr. Navin Kumar Garg, New Delhi
8. Mr. Pradeep Goel, New Delhi
9. Mr. K. Somashekhar, Delhi

It was brought to the notice of the Committee that they have furnished corroborative evidence in the form of Transport Rail Receipts as proof of the fact that the car in each case had been shipped from the country of origin i.e. Slovakia (Land Locked Country) to the port of loading i.e. BREMEHEVEN for final shipment to India. Taking note of these facts, the Committee accorded ex-post-facto approval in relaxation of the policy with regard to Para (2) (II) & (iv) of the Import Licensing Notes to Chapter 87 of the ITC(HS) Classification of Export and Imports Items 2004-2009 in respect of the above 9 individuals who had imported Volkswagen Car but not directly from the country of manufacture.

Case No.	10
Firm's Name	M/s. Kumar's Cotex Ltd., Guntur.
File No.	01/92/180/035/AM06/PC-II
Subject:	(a) Permission for extension of time upto December, 2007 for fulfillment of EO. (b) Condonation of excess advance DTA sale made. (c) Allowing further advance DTA sale of Rs. 2 crore.

The Committee considered the case as per details given in the Agenda. The Committee agreed to allow permission for extension of time for fulfillment of EO in the instant case upto June 2007. This will however be the last opportunity and no further extension will be allowed. The Committee also agreed to relax the provision of the policy and condone the excess advance DTA sale already made. However, the request regarding allowing further advance DTA sale of Rs.2 Crore was rejected.

Case No.	11
Firm's Name	Jubliant Enpro Ltd., NOIDA
File No.	01/94/180/346/AM06/PC-I
Subject:	Request to condone delay in submission application for claiming benefit under Served from India Scheme.

The Committee considered the case as per details given in the Agenda. The Committee observed that allowing the benefit of Served From India scheme in respect the application filed beyond 30.6.2005. (In the instant case the application filed on 30.9.2005) is not justified as no special circumstances leading to delay in filing such applications have been brought out by the applicant. It was therefore decided to reject the request.

Case No.	12.
Firm's Name	M/s. Utkal Steels Ltd., Mumbai.
File No.	01/81/162/537/M06/GRC
Subject:	Grant of revalidation of advance licence No. 0310115558 dated 21.12.2001.

The Committee considered the case as per details given in the Agenda. The Committee agreeing to the recommendation of the Grievance Committee decided to allow revalidation in respect of the subject annual advance licence for a period of six months and this six months period will commence from the date such endorsement is made on the licence. This will however subject to payment of 2% composition fee on the unutilized CIF of the licence.

Case No.	13.
Firm's Name	M/s. Powerplant Performance Improvement Ltd.
File No.	01/94/162/618/AM06/PC-I
Subject:	Request for permission to retain second hand machine tools imported under re-export condition.

The Committee considered the case as per details given in the Agenda. The Committee observed that the present policy permits import of 2nd hand machine tools freely. Therefore, it was decided to allow the applicant to retain the 2nd hand machine tools imported under bond condition in the year 2000 under Para 5.7 of the erstwhile EXIM Policy 1997-2002 subject to the condition that the customs duties and levies on which exemption had been obtained at the time of import, are paid to the Govt. by the applicant firm.

Case No.	14.
Firm's Name	M/s. Prime Textiles Ltd., Tirupur.
File No.	01/84/162/127/AM05/DES-V
Subject:	Request for condonation of delay in filing DEPB application.

The Committee considered the case as per details given in the Agenda. This case had come up before the PRC in its meeting held on 14.1.2005 when the Committee decided to allow conversion of DEPB shipping bills to Advance Licensing Scheme on the premise that the firm may be allowed some benefits for exports already made by them. The applicant has come up with a representation against this decision of PRC stating that their original request before the ALC and PRC was to condone the delay in filing application for claiming DEPB benefits. They have further represented that the Committees decision for conversion does not serve any purpose as the conversion would allow them to take the benefit under DEEC scheme whereas against the outstanding obligation in respect of advance licence they had already paid duty and interest for regularization purposes. The delay in filing DEPB claim, it has been explained, was because of considerable time taken by customs authorities to decide on the issue of conversion and once the request was rejected by Customs, they had paid duty plus interest to regularize the default against Advance Licence. Therefore, request before PRC is considering Condonation of delay in filing the DEPB applications. The Committee taking all the above factors into consideration agreed to relax the policy in the instant case and condone the delay for submission of the applications for claiming DEPB benefits against the following Shipping Bills:

SBs No.	Date
10194840	08.05.02
1095032	09.05.02
1097681	23.05.02
1096111	16.05.02
1097792	24.05.02
1098691	29.05.02
1099072	30.05.02

Case No.	15.
Firm's Name	M/s. Vital Healthcare Pvt. Ltd.
File No.	01/82/50/44/AM03/DES-III
Subject:	Request for revalidation of advance licence No. 0310175477 dated 31.12.2002.

The Committee considered the case as per details given in the Agenda. The Committee agreeing to the recommendation of the ALC decided to allow revalidation in respect of the subject advance licence for a period of six months and this six months period will commence from the date such endorsement is made on the licence. This will however subject to payment of 2% composition fee on the unutilized CIF of the licence.

Case No.	16
Firm's Name	M/s. Shri Satpuda Tapi Parisar Sahakari Sakhar Karkhana Ltd.
File No.	20/1466/93/EPCG-IV
Subject:	Request for extension in EO period 31.3.04 and acceptance of alternative product exported by sister concern and its third party against EPCG licence.

The Committee considered the case as per details given in the Agenda. The Committee agreed to allow extension in EO period in respect of EPCG Licence No.P/CG/2134963 dated 27.01.94 upto 31.3.2004 subject to payment of composition fee as applicable in the current FTP, for regularization purposes only.

The meeting ended with vote of thanks to the Chair.

Annexure-I

LIST OF PARTICIPANTS

1. Shri Neeraj Gupta, Addl.DGFT
2. Dr(Ms.) Maya D.Kem, Addl.DGFT
3. Shri Surat Singh, Addl.DGFT
4. Shri S.K.Prasad, Addl. DGFT
5. Dr(Ms) Pratima Dikshit, 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 Ashutosh Jindal, Jt.DGFT
10. Shri Tapan Mazumdar, Jt. DGFT
11. Smt. Kiran Sehgal, Dy. DGFT
12. Shri M.K.Parimoo, Dy.DGFT

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