

MINUTES OF EPCG COMMITTEE MEETING HELD UNDER THE CHAIRMANSHIP OF SHRI J.V. PATIL,
ADDITIONAL DIRECTOR GENERAL OF FOREIGN TRADE AT 14:30 Hours ON 05.06.2018.

Following officers attended the meeting:

- a. Shri S.S. Ahuja, OSD, Department of Revenue
- b. Shri Rajbir Sharma, Joint Director General of Foreign Trade, DGFT
- c. Shri Randheep Thakur, Deputy Director General of Foreign Trade, DGFT

II. Minutes of the last Meeting held on 18.04.2018 were confirmed.

III. The Committee deliberated upon all the cases and following decisions were taken:

Sl no	Firm's Name and Numbers	EPCG Authorisation No.	Subject	Decision of the EPCG Committee
1.	M/s Richa Fashion , Surat 01/37/218/241/AM-18/EPCG-II	5230000400 dated 29.03.2005 5230000399 dated 29.03.2005	Request for waiver of EO on account of force majeure circumstances.	The Committee noted that the party seeks waiver from fulfilment of Export Obligation on the ground of ‘force majeure’. The Committee deliberated upon the case and decided to reject the request as there is no provision for waiver of Export Obligation in the FTP.
2.	M/s Associated Cables Pvt Ltd, Ratnagiri 01/36/218/44/AM-18/EPCG-I	0330023194 dated 24.06.2009 0330024865 dated 08.01.2010 0330026931 dated 18.08.2010	Waiver from maintenance of annual average export obligation on account of global recession.	The Committee noted that the party seeks waiver from maintenance of average Export Obligation in the years 2010-11 and 2011-12. The Committee deliberated upon the case and decided to reject the request as there is no provision for waiver of Average EO in the FTP.
3.	M/s Bulk Liquid Solutions Pvt Ltd, Bangalore 01/36/218/174/AM-17/EPCG-I	0730004966 dated 08.12.2006 0730005301 dated 23.02.2007	Regularization of shifting of capital goods imported under EPCG authorizations.	The Committee noted that the party had imported the capital goods for their factory located at 135, 8th Main, III Phase, Peenya Industrial Area, Bangalore-560058 but due to paucity of space they have shifted their factory to Shed No.1&2, New Survey No.37/1, Hegganahalli Main Road, Nadakerappa Industrial Estate, Bangalore where the imported capital goods are currently located. The Committee, deliberated upon the case and decided to allow shifting of capital goods from 135, 8th Main, III Phase, Peenya Industrial Area, Bangalore – 560 058. to Shed No. 1 & 2, New Survey No.37/1, Hegganahalli Main Road, Nadakerappa Industrial Estate, Bangalore, subject to payment of Rs.5000/- against each Authorisation.
4.	M/s Caterpillar India Pvt Ltd, Chennai 01/36/218/283/AM-18/EPCG-I	0430013507 dated 20.03.2014 0430013506 dated 20.03.2014 0430013415 dated 26.02.2014	Request for re-fixation of annual average export obligation.	The Committee noted that case was first placed in its meeting held on 20.02.2018 wherein it was remanded back to RA to examine the request as per Policy Provisions. The Committee heard the submission made by the representative of the party who appeared for the PH. The Committee deliberated upon the case and decided to defer for examination by DoR and also for

				communication from RA with reference to previous minutes.
5.	M/s Spun Micro processing Pvt Ltd, New Delhi 01/37/218/08/AM-17/EPCG-II	0530154371 dated 24.12.2010	Acceptance of installation certificate issued by Chattered Engineer instead of Central Excise Authority.	The Committee observed that the request of the party was first placed in the EPCG committee meeting held on 30.05.2016 and it was decided to defer it with directions to call verification report from Central Excise authority. The Committee noted that CLA, Delhi vide their email dated 14.05.2018 has stated that the concerned Range Superintendent, Office of Assistant Commissioner, Central Excise inspected the premises and issued a verification report of installation of capital goods. The Committee deliberated upon the case and decided to allow submission of installation certificate from Chartered Engineer instead of Central Excise.
6.	M/s Ladhar Paper Mills, Ludhiana 01/36/218/268/AM-18/EPCG-I	3030002682 dated 26.04.2007	Condonation of delay in submission of installation certificate beyond 18 months in respect of EPCG authorization.	The Committee noted that the capital goods have been imported vide bill of entry dated 29.12.2007 and the installation certificate from Central Excise was issued on 08.09.2010. The Committee deliberated upon the case and decided to recommend to DG for relaxation under Para 2.58 of FTP 2015-20 to allow condonation of delay in installation of capital goods, subject to payment of composition fee of Rs.5000/- against authorisation and submission of installation certificate from Central Excise. This has the approval of DG.
7.	M/s Replica Packarts Pvt Ltd., Pune 01/37/218/296/AM-17/EPCG-II	3130005601 dated 22.03.2011	Addition product for export	The Committee observed that request of the party for addition of alternate product was considered in the EPCG Committee meeting held on 22.02.2017 and it was decided to defer it till report in the matter is received from DoR. The request of the party was taken up in the EPCG Committee meeting held on 31.05.2017 and on the basis of comments of DRI, New Delhi received vide their letter dated 25.04.2017, the request was rejected. The request of the party received vide letter dated 17.07.2017 for review of the decision of the EPCG Committee meeting held on 31.05.2017 was also rejected on the same ground on 04.10.2017. On the request of the party received vide their letter dated 06.03.2018, that they may be given Personal Hearing to present their case before the Committee. The representative of the party was called for PH and heard. The Committee heard the submission made by the representative of the party who came for PH and noted that the party has now shown their intent to fulfill Export Obligation afresh by additional product for which the party has requested for addition in the subject

				EPCG Authorisation. The Committee deliberated upon the case and decided to remand the case back to RA to examine request of the party to get additional product added on the basis of nexus certificate issued by Chartered Engineer for prospective exports. The redemption of license will be subject to final report of DRI inquiry.
8.	M/s Shree Pooja Overseas (P) Ltd., Faridabad 01/37/218/211/AM-17/EPCG-II	0530147393 dated 07.10.2008	Condonation of procedural lapse of non-mentioning the name and address of EPCG authorization holder on shipping bills.	The Committee observed that the case was first placed in its meeting held on 20.02.2018 and it was decided to reject the case. In their request for review of the above decision the party has submitted that the third party shipping bills submitted by them contain authorisation number and requested for condonation of non-mentioning of their name in the shipping bills. The Committee deliberated upon the case and decided to remand the case back to RA to verify, as it does not require any relaxation since authorisation number has been mentioned from which the name can be ascertained.
9.	M/s S.R. Industries , Mohali 01/37/218/356/AM-18/EPCG-II	2230001240 dated 30.11.2009 2230001255 dated 23.12.2009 2230001256 dated 23.12.2009 2230001260 dated 01.01.2010 2230001263 dated 12.01.2010 2230001264 dated 12.01.2010 2230001281 dated 28.01.2010	Condonation of procedure lapse of mentioning multiple license nos in shipping bills in respect of EPCG authorizations.	The Committee noted the submission of the party that inadvertently they have mentioned multiple Authorization numbers in the third party shipping bills which are not counted for fulfilment of EO. As per the firm same Shipping bills will not be taken into account for counting Export obligation against other EPCG Authorisations. The Committee deliberated upon the case and decided to recommend to DG for relaxation under Para 2.58 of FTP 2015-20 to allow condonation of procedural lapse of mentioning multiple authorisation number while filing shipping bills, in terms of provisions of para 5.7.1 of HBP 2009-14, subject to the condition that there is no double counting of exports/Shipping Bills. The Committee further recommended imposition of a composition fee of Rs.200/- each on such shipping bills where wrong EPCG authorization number has been endorsed and which are being counted for fulfilment of EO. This has the approval of DG.
10.	M/s Sri Dharma Spinners (P) Ltd 01/37/218/74/AM-17/EPCG-II	3530002014 dated 20.09.2006	Regularisation of third party exports towards fulfilment of EO in respect of EPCG authorization.	The representative of party appeared for PH and explained the case before the Committee. The Committee deliberated upon the case and decided to reject it as there is no provision for condonation of procedural lapse in third party shipping bills as per appendix 5C of FTP 2015-20 w.e.f. 01.04.2015.
11.	M/s Madura Mercerisers India Pvt Ltd, Tirupur	3230025753 dated 10.04.2017	Request for deletion of annual average EO fixed on the	The Committee deliberated upon the case and decided to defer it with the direction to further examine the case and to call the party for PH in the next

	01/36/218/81/AM-18/EPCG-I		basis of Form H Sales in respect of EPCG authorization.	meeting.
12.	M/s Sri Thiruvettai Ayyanar Spinners (P) Ltd., Madurai 01/37/218/185/AM-18/EPCG-II	3530002550 dated 09.04.2007	Allowing excess exports made against EPCG licences towards fulfilment of EO against EPCG licence No. 3530002550 dated 09.04.2007.	The Committee noted that the party has requested for counting of excess exports made against EPCG authorisations towards fulfilment of EO against subject EPCG authorisation. The Committee deliberated upon the case and decided to remand the case back to RA. RA may examine as per clubbing provisions.
13.	M/s N.K Goel Knitwears, Ludhiana 01/37/218/313/AM-18/EPCG-II	3030012344 dated 17.04.2014 3030013611 dated 23.02.2015	Regularization for shifting of capital goods imported under EPCG.	The Committee observed that the case was first placed before the EPCG Committee in its meeting held on 20.02.2018 wherein it was decided to defer it with the direction to RA to verify (inspect) and submit a fresh report for further consideration. The Committee noted that RA, Ludhiana, vide letter dated 24.04.2018 has stated that their office has conducted an inspection in the premises of the firm at 3667/3, Gali No.6, New Madhopuri, Ludhiana and found that the machines imported against above said EPCG authorisations have been installed there. The Committee deliberated upon the case and decided to allow shifting of capital goods from 3700. St. New Mdhopuri, Ludhiana- 141008 to their factory cum office at 3667/3, Gali No.6, New Madhopuri, Ludhiana, Punjab-141008, subject to payment of Rs.5000/- against each Authorisation.
14.	M/s Krishan Bajaj Hosiery , Ludhiana 01/36/218/264/AM-18/EPCG-I	3030014355 dated 14.07.2015	Regularization for shifting of capital goods imported under EPCG.	The Committee observed that the case was first placed in its meeting held on 20.02.2018 wherein it was decided to defer it with the direction to RA to verify (inspect) and submit a fresh report for further consideration. The Committee noted that RA, Ludhiana, vide letter dated 25.04.2018 has stated that as directed by the Committee, their office conducted an inspection in the premises of firm at B-32_E/269, St No.5, Krishna Colony, Opp. Indian Petrol Pump, Rahon Road, Ludhiana and found that the machines imported against above said EPCG authorisation have been found installed there. The Committee deliberated upon the case and decided to allow shifting of capital goods from B-V-1121, Mehmood pura Islamia School Road Ludhiana-141008 to B-32-E/267, St.No.5, Krishna Colony, opp. Indian Petrol Pump, Rahon Road, Ludhiana, Punjab-141007 on 01.05.2017, subject to payment of Rs.5000/- against the Authorisation.
15.	M/s Siddhartha Super Spinning Mills Ltd, Solan, H.P.	2230002140 dated 26.02.2013 2230002096 dated 20.12.2012 2230002364	Request for condonation of procedural lapse of mentioning wrong EPCG	The Committee deliberated upon the case and decided to defer it for further examination on file with reference to observation of RA on the issue.

	01/37/218/364/AM-17/EPCG-II	dated 20.12.2012	authorization number in shipping bills.	
16.	M/s Frontier Strips Pvt Ltd., New Delhi 01/36/218/75/AM-18/EPCG-I	0530158580 dated 18.06.2012	Request for condonation of delay in submission of Installation Certificate.	The Committee took into account the submission of the party that they could not install capital goods in time as they could not arrange qualified person for installation. The Committee noted that the capital goods imported vide Bill of Entry dated 20.07.2012 and 07.07.2012 were installed on 02.06.2015. The Committee deliberated upon the case and decided to recommend to DG for relaxation under Para 2.58 of FTP 2015-20 to allow condonation of delay in submission of installation certificate subject to payment of composition fee of Rs. 5000/- and submission of fresh installation certificate. This has the approval of DG.
17.	M/s ASP Exports Pvt Ltd., Thane 01/36/218/28/AM-18/EPCG-I	0330014319 dated 13.12.2006	i. Extension of block wise EOP., and ii. Acceptance/regularization of exports of readymade garment made by the Group company.	The Committee observed that the request of the party was first placed in its meeting held on 19.07.2017 wherein it was decided to defer the case with direction to ask the party to submit the documents for EO fulfilment to RA concerned and to obtain a fresh report from RA. The Committee noted that RA, Mumbai, vide their report dated 18.04.2018, has stated that the firm has fulfilled EO by self and through Group Company. The Committee deliberated upon the case and decided to remand the case back to RA. RA may decide the case as per policy.
18.	M/s MSPL Limited , Hospet, Karnataka 18/46/AM-16/PC-V	0730007913 dated 24.03.2009 0730008083 dated 03.07.2009 0730008036 dated 10.06.2009 0730008369 dated 13.11.2009 0730008433 dated 10.12.2009 0730008672 dated 05.03.2010 0730008786 dated 06.04.2010	Request for re-fixation of annual average EO and extension of EOP in the event of ban on export product.	The representative of the firm appeared for PH before the Committee and explained the case. The request of the firm is for grant of benefits under para 5.11.3 of HBP 2009-14 which provides automatic extension of EOP for a period equivalent to the duration of ban where ban is imposed by DGFT under DGFT notification and re-fixing of average Export Obligation imposed on the authorisation. In these cases there was no ban on export from DGFT. The firm has submitted that they could not export due to the ban on mining and their export thereof in the light of illegal mining activities Supreme Court of India/High Court of Karnataka Order on the issue and also ban imposed by the Government of Karnataka. Hence, they have requested the benefits of the para 5.11.3 of HBP 2009-14. The Committee noted that the party has also requested for re-fixation of annual average by removal of annual average which was imposed on the basis of past exports of iron ore as their export product is iron ore pallet manufactured by use of iron ore. Their contention is that the machinery imported is for pallet making. In the authorisation the export

				product is mentioned as Iron Ore Pellets from Iron ore Fines, Iron Ore Fines and Calibrated Iron Ore Lumps, Pallets, Iron Ore Pellets, Iron Ore Fines The issue was deliberated and it was decided to defer the case for examination by DoR.
19.	M/s Asianet Communications Pvt Ltd, Kerala 01/36/218/359/AM-18/EPCG-I	5330001670 dated 03.11.2015	Request for permission /regularization of shifting of capital goods imported under EPCG.	The Committee noted that the capital goods were imported for installation at Asianet Complex, Pulliyarakonam and NH 47, By-Pass Junction, Pallarivattom, Kochi but due to business exigency they have to shift the capital goods to new studio complex at Asianet Studio Complex, Chandiroor, Near My Lady of Mercy HSS, Aroor, Alappuzha, Kerala – 688537. The Committee deliberated upon the case and decided to allow shifting of capital goods from Asianet Complex, Pulliyarakonam and NH 47, By -Pass Junction, Pallarivattom, Kochi to Asianet Studio Complex, Chandiroor, Near My Lady of Mercy HSS, Aroor, Alappuzha, Kerala – 688537, subject to payment of Rs.5000/- against the authorisation and submission of fresh installation certificate.
20.	M/s Tata Steel Limited, Mumbai 01/37/218/229/AM-15/EPCG-II	0230003632 dated 15.09.2008 0230003738 dated 31.10.2008 0230003859 dated 11.12.2008 0230003956 dated 15.01.2009 0230004120 dated 31.03.2009 0230004124 dated 31.03.2009 0230004714 dated 03.12.2009	Request for allowing fulfilment of EO by export of 100% alternate product.	The Committee observed that the request was first placed in the EPCG Committee meeting held on 06.12.2017 and it was decided to allow fulfillment of 50% export of alternate product (steel finished products) for fulfillment of EO in respect of all EPCG licenses (6 nos.) issued on or after 18th April, 2008 but before 1st April, 2009. However, the Committee had decided to reject the request of the party for allowing fulfillment of EO by export of 100% alternate product in respect of one EPCG authorisation issued on 03.12.2009. The Committee also heard the representative of the party who came up for PH. Now, the party wants counting of exports made by alternate products (steel finished products) for 100% fulfilment of EO in respect of all seven EPCG authorisations issued during the period from 15.09.2008 to 03.12.2009 for which provision allows fulfilment of EO by export of alternate product to the extent of 50% only. The Committee deliberated upon the case and decided to reject it as there is no provision in the relevant FTP for allowing fulfilment of 100% EO by export of alternate products.
21.	M/s Premier Cotspin Limited, Ludhiana 01/36/218/20/AM-19/EPCG-II	3030003694 dated 14.02.2008	Request for extension in EOP in respect of EPCG authorisation No. 3030003694 dated 14.02.2008.	The Committee deliberated upon the case and decided to defer it for further examination.

22.	M/s Saint-Gobain India Pvt Ltd., Chennai 01/37/218/84/AM-18/EPCG-II	0430002015 dated 12.10.2004 0430002036 dated 15.10.2004 0430002168 dated 15.12.2004 0430002381 dated 23.02.2005 0430002785 dated 01.07.2005 0430002622 dated 03.05.2005 0430006250 dated 12.06.2008	i. Condonation of delay in submission of Installation Certificate and, ii. Acceptance of installation certificate from Chartered Engineer instead of Central Excise authority.	The Committee noted that capital goods have been imported and installed in respect of all 07 EPCG authorisations. However, installation certificate has been submitted from Chartered Engineer instead of Central Excise. The Committee further noted that in respect of EPCG authorisation No.0430002381 dated 23.02.2005, No.0430002785 dated 01.07.2005, No.0430002622 dated 03.05.2005 and No.0430006250 dated 12.06.2008, the capital goods have been imported and installed but there has been delay in submission of installation certificate beyond prescribed limited. The Committee, therefore, decided to recommend to DG for relaxation under Para 2.58 of FTP 2015-20 to allow: (a) condonation of delay in installation submission of installation certificates in respect of EPCG authorisations No.0430002381 dated 23.02.2005, No.0430002785 dated 01.07.2005, No.0430002622 dated 03.05.2005 and No.0430006250 dated 12.06.2008; and (b) submission of installation certificate from Chartered Engineer instead of Central excise in respect of all 07 EPCG authorisations, subject to payment of composition fee of Rs.5000/- against each authorisation and verification by Central Excise/Jurisdictional Custom authority and fresh installation certificate. This has the approval of DG.
23.	M/s Reliance Industries Limited, Mumbai 01/37/218/27/AM-19/EPCG-II	330040445 dated 11.12.2014 330044384 dated 19.05.2016 330044762 dated 08.07.2016 330044994 dated 03.08.2016 330045058 dated 10.06.2016 330045059 dated 10.08.2016 330038098 dated 19.02.2014 330045079 dated 12.08.2016 330045451 dated 06.10.2016 10.330040284 dated 25.11.2014 11.330040506 dated 18.12.2014 12.330044120 dated 02.04.2016	Extension in installation period for installation of capital goods imported under EPCG authorization.	The Committee took into account the submission of the party that they are implementing a large number of projects in petroleum and petrochemical sector at their Jamnagar facility. On a review of the status of implementation schedule and import completion they have observed that there could be delay in the installation of the capital goods. The Committee deliberated upon the case and decided to recommend to DG for relaxation under Para 2.58 of FTP 2015-20 to allow extension in period of installation of capital goods up to 31.12.2019, subject to payment of composition fee of Rs.5000/- against each authorization and submission of fresh installation certificate. This has the approval of DG.
24.	M/s Sarvesh Spinners (P) Ltd, Barnala 01/36/218/355/AM-18/EPCG-II	3030002803 dated 30.05.2007 3030003062 dated 13.08.2007 3030003181 dated 13.09.2007 3030002763 dated 21.05.2007 3030002696	Request for allowing alternate products for fulfilment of export obligation.	The Committee noted that the party has applied for regularisation of exports made through alternate products. The Committee deliberated upon the case and decided to defer it with a direction to seek following clarifications from the party:

		dated 27.04.2007 3030003404 dated 20.11.2007 3030002697 dated 27.04.2007 3030002721 dated 01.05.2007		a. Why did they not take prior endorsement of alternate product in the authorisation. b. How much is the export of yarn. c. Who is the exporter of alternate products of textile madeups. d. To submit some copies of shipping bills.
25.	M/s Sunray Metallurgical Industries Pvt Ltd 18/75/AM-18/PC-V	2630002433 dated 09.11.2017	Request for import of “Multi Strand Strap Power Heater” under EPCG Scheme.	The Committee noted that the request of the party is for import of power equipments under EPCG Scheme. The Committee also granted patient hearing to the representative of the party who came up for PH. The Committee deliberated upon the case and decided to reject it in view of a negative list at serial No.12 of Appendix 5F under EPCG Scheme.
26.	M/s Sparsha Pharma International Pvt Ltd., Talangana 01/37/218/28/AM-19/EPCG-II	0930004218 dated 22.07.2008	Request for the extension with a waiver of 50% customs duty on the unfulfilled portion of EO.	The Committee noted that the submission of the party that the technology involved in the manufacture of transdermal patches was so unique that machinery and materials need to be imported into the country. The Committee deliberated upon the case and decided to defer it for further examination by DoR.
27.	M/s Fertichem Cotspin Ltd, Chandigarh 01/36/218/17/AM-19/EPCG-I	2230000900 dated 16.04.2008	i. Condonation of procedural lapse of mentioning wrong EPCG authorization number in shipping bills. ii. Condonation of shortfall of EO in terms of Para 5.12 of HBP 2009-14.	The Committee noted the procedural lapse of mentioning wrong EPCG authorisation numbers viz. 22300002504 dated 18.03.2015, 2230002358 dated 15.05.2014 and 2230000311 dated 28.04.2006 in 12 nos shipping bills. The Committee further noted that the provision of condonation of 5% shortfall in fulfilment of EO has been deleted in HBP 2015-20. (i). The Committee deliberated upon the case and decided to recommend to DG for relaxation under Para 2.58 of FTP 2015-20 to allow condonation of wrong mentioning the EPCG authorization number and date on 12 number of shipping bills against EPCG Authorisation No.2230000900 dated 16.04.2008, subject to the condition that there is no double counting of exports & there is no free shipping bill and payment of a composition fee of Rs.200/- per Shipping Bill. (ii). The Committee also deliberated on the request of the party for condonation of shortfall of EO in terms of para 5.12 of HBP 2009-14 and decided to reject the request as the provision has since been deleted. This has the approval of DG.
28.	Jegath Match Works, Rajapalayam 01/36/218/326/AM-18/EPCG-I	3530004781 dated 31.01.2012	Condonation of procedural lapse of non-mention of EPCG authorisation number and name on shipping bills	The Committee observed that the ARE-I number of the EPCG authorisation holder is mentioned on shipping bills establishing the link between third party shipping bills and the EPCG authorisation holder. Based on this RA may consider the case under Policy Circular No.7/2002 dated 11.07.2002 and ensure there is no double counting of exports.

				This is for shipping bills dated prior to 01.04.2015.
29.	Electro Plasts Pvt Ltd, Bangalore 01/36/218/351/AM-18/EPCG-I	0730005885 dated 26.07.2007	Condonation of procedural lapse of wrong mentioning of EPCG authorisation in all the deemed export documents	The Committee took into account submission of the party that due to oversight they have endorsed only one EPCG license number in all the deemed export documents. The Committee deliberated upon the case and decided to defer it with the direction to call the party for PH for explaining their case.

DGFT = Directorate General of Foreign Trade, DG = Director General, FTP = Foreign Trade Policy, HBP v1 = Handbook of Procedure Vol. I, EO = Export Obligation, EODC = Export Obligation Discharge Certificate, EOP = Export Obligation Period, EPCG = Export Promotion Capital Goods, RA = Regional Authority, BG = Bank Guarantee, FFE = Free Foreign Exchange, IEC = Importer-Exporter Code, DOR = Department of Revenue, IEM = Industrial Entrepreneurs Memorandum, RCMC = Registration-cum-Membership Certificate.