MINUTES OF EPCG COMMITTEE MEETING HELD UNDER THE CHAIRMANSHIP OF SHRI JAIKANT SINGH, ADDITIONAL DIRECTOR GENERAL OF FOREIGN TRADE AT 1430 Hours ON 27.06.2014

Following officers attended the meeting:

a. ShriAkashTaneja, Joint Director General of Foreign Trade, DGFT
b. Shri K. K. Sinha, Industrial Adviser, Department of Industrial Policy and Promotion
c. ShriGajraj Singh, Sr. Development Officer, Department of Heavy Industry
d. Shri G. S. Bains, Technical Officer (DBK), Department of Revenue

II. Minutes of the last Meeting held on 15.05.2014 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. and Date	Subject	Decision of the Committee
1.	M/s Askar Microns Private Limited 01/36/218/12/AM-15/EPCG-I	0730002454 dated 13.01.2005 0730002719 dated 23.03.2005 0730003345 dated 03.10.2005	Condonation of block-wise EO and extension in EOP.	The Committee observed that there is shortfall in first block against EPCG Authorization 0730002454 dated 13.01.2005 and shortfall in second block against EPCG Authorization Nos. 0730002719 dated 23.02.2005 and 0730003345 dated 03.10.2005. The Committee, therefore, decided to **recommend to DG for relaxation under Para 2.5 of FTP** to **allow**: (a) condonation from condition of fulfillment of block-wise EO in respect of EPCG Authorization No. 0730002454 dated 13.01.2005 subject to payment of 2% composition fee on duty saved amount in proportion to the shortfall at the end of each block in terms of the provisions of Para 5.8.2 of HBP v1(RE:2013)/Para 5.8.3 of HBP v1 (RE:2012); and (b) extension in EOP in respect of EPCG Authorization Nos. 0730002719 dated 23.02.2005 and 0730003345 dated 03.10.2005 for 2 years on payment of composition fee equal to 2% of proportionate duty saved amount on unfulfiled EO or an enhancement in EO imposed to the extent of 10% of total EO at the choice of exporter, for each year of extension sought in terms of provisions contained in Para 5.11(a) of HBP Vol. I. **This has the approval of DG.**
2.	M/s Honda Cars India Limited 01/36/218/31/AM-15/EPCG-I	0530159503 dated 16.10.2012 0530161145 dated 04.07.2013	Permission to shift the capital goods from Plant-I to Plant-II.	The Committee observed that: a. Addresses of both the factories of the company i.e. the factory where the capital goods are installed and the factory where the capital goods

				are to be shifted are incorporated in IEM, IEC and RCMC. b. The capital goods have been installed and installation certificate have been issued by the Jurisdictional Central Excise Authority. c. The firm have stated that as demand of their product (car) has increased and therefore the management decided to shift the production line of some of the car and car parts to the plant located at Alwar, Rajasthan. The Committee, therefore, decided to **grant permission** to shift the capital goods from ***plant-I located at Plot No. A-1, Sector 40/41, SurajpurKasna Road, Greater Noida Industrial Development Area, Distt. GautamBudhNagar,U.P*** to their another ***plant-II located atSPL-1, Tapukara Industrial Area, Khuskhera, Distt. Alwar, Rajasthan***subject to the condition that the company will furnish fresh installation certificate. This approval is in respect of only those Capital Goods which have been installed vide Installation Certificates dated 30.07.2013 and 09.05.2014 issued by Central Excise.
3.	Reference received from M/s Jindal Stainless Limited 01/36/218/159/AM-14/EPCG-I	-----	To clarify whether RA can redeem the licence or they will have to approach the DGFT Hqrs. for condonation of delay in installation certificate if the capital goods are installed within 18 months from the dated of completion of imports but submission of installation certificate has been delayed.	The Committee deliberated on the issue and observed that as per Para 5.3.1 of HBP v1 an exporter is required to obtain Installation Certificate within 18 months from the date of completion of imports and can submit the same to the RA any time before redemption of licence. The modification in language of Para 5.3.1 of HBP v1 would be taken up during the formulation of Foreign Trade Policy. The issue is **recommended to DG** for approval. **This has the approval of DG.**
4.	M/s C & S Efacec MV India Private Limited 01/36/218/395/AM-14/EPCG-I	0530148386 dated 10.02.2009	Condonation of delay in submission of installation certificate	The Committee observed that a. The Capital Goods were imported on 19.02.2009. b. The firm have already obtained Installation Certificate dated 31.01.2014 confirming installation of CG on 23.06.2011 from Central Excise. c. The firm have completed Export Obligation. d. The firm have obtained Installation Certificate beyond 18 months from the date of completion of imports. Since the Installation Certificates have already been obtained from the Central

				Excise, the Committee decided to **recommend to DG for relaxation under Para 2.5 of FTP** to **condone** the delay in installation of capital goods. **This has the approval of DG.**
5.	M/s Brain "N" Beyond Biotech Private Limited 01/36/218/389/AM-14/EPCG-I	0730002752 dated 01.04.2005 0730002854 dated 09.05.2005 0730003183 dated 22.08.2005 0730004055 dated 24.04.2006	Change of export product and installation address.	The Committee deliberated upon the case and decided to **defer** the case with the direction to call for comments of DIPP In the matter in respect of firm's request regarding change of export product.
6.	M/s Musashi Auto Parts India Private Limited 18/14/AM-15/P-5	0530139785 dated 26.10.2005 0530139969 dated 05.12.2005 0530140087 dated 20.12.2005 0530140102 dated 21.12.2005 0530140218 dated 05.01.2006 0530140219 dated 05.01.2006 0530140600 dated 08.03.2006 0530140815 dated 04.04.2006	Condonation of block-wise E.O.	The Committee observed that the firm have already fulfilled the specific EO against all the 8 Authorizations as reported by CLA, New Delhi and therefore decided to **recommend to DG for relaxation under Para 2.5 of FTP** to **allow**condonation from condition of fulfillment of block-wise EO subject to payment of 2% composition fee on duty saved amount in proportion to the shortfall at the end of each block in terms of the provisions of Para 5.8.2 of HBP v1(RE:2013)/Para 5.8.3 of HBP v1 (RE:2012). **This has the approval of DG.**
7.	M/s Vardhman Textiles Limited 18/53/AM-15/P-5	-----	Issuance of Post EPCG authorization.	The Committee deliberated upon the case and decided to **defer** it with the direction to examine the case again.
8.	M/s Mitter Fasteners 18/07/AM-15/P-5	3030001210 dated 15.09.2005	Extension in EOP for 2 years and condonation of block-wise E.O.	The Committee observed that the firm/RA have not furnished Block-wise EO/EO fulfilment status and have also not indicated the reasons for shortfall. The Committee, therefore, decided to **defer** the case with the direction to call for the requisite information from the RA/firm.

<table>
<tr>
<td>9.</td>
<td>M/s Mahindra CIE Automotive Limited

01/36/218/424/AM-14/EPCG-I</td>
<td>0330012382 dated 21.06.2006
0330008519 dated 29.04.2005
0330010257 dated 17.11.2005</td>
<td>Amendment of export product from the date of issuance of Authorizations</td>
<td>The Committee observed that:

a. M/s Mahindra CIE Automotive Limited are exporting various types of forgings products and forgings manufactured out of both alloy and non-alloy steel under the main heading 7626 & 8708;
b. The forgings and machined products exported under subheading of 7626.19.90 & 8708.99.00 comprise of Crankshaft, stub axle, upper arm, link, spring seat etc. broadly covered under the automotive component;
c. the HS Code was not mentioned at the time of applying for the EPCG application, even the description of all export items were not properly covered;
d. Firm’s request is to give permission to amend the same in the license with the correct HS Code & description of export item;
e. there will be no change in the main product description “Crank Shaft”;
f. The firm fulfilled have fulfilled EO by the export of goods being manufactured by the use of the capital goods imported under the EPCG licence;
g. The only error on the part of the firm is that at the time of applying for the EPCG licence they did not indicate the complete list of products exported which were to be manufactured out of the imported capital goods.

The Committee deliberated upon the case and decided to allow amendment in export product as detailed below subject to refixation of Average EO:</td>
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<tr>
<td colspan="5">
<table>
<tr><td colspan="2">As per EPCG licence (From)</td><td colspan="2">Amendment required (To)</td></tr>
<tr><td>ITCHS Code No.</td><td>Export item</td><td>ITCHS Code No.</td><td>Export item</td></tr>
<tr><td rowspan="2">Not indicated in the EPCG licence</td><td rowspan="2">Crank Shaft</td><td>73261990</td><td>Automotive Components (Alloy & non alloy steel forgings)
<u>Components supplied under the above</u>
Crankshaft, stub axle steering rod, upper arm,
springs & other forgings component</td></tr>
<tr><td>87089900</td><td>Automotive components (Alloy & non alloy steel forgings)
<u>Components supplied under the above</u>
Crankshaft, stub axle steering rod, upper arm,
springs & other forgings component</td></tr>
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<td>10.</td>
<td>M/s Reliance Infratel Limited

18/18/AM-13/EPCG-II</td>
<td>0330021083 dated 26.08.2008
0330019821 dated</td>
<td>Counting of foreign exchange earnings of the parent company M/s Reliance Communications</td>
<td>Shri S. Varadharajan, Advisor-Indirect Taxation of the company appeared before the EPCG Committee and explained the case. The Committee deliberated upon the case and decided to defer it with the direction to</td>
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		16.04.2008 0330019815 dated 11.04.2008 0330019775 dated 08.04.2008 0330019692 dated 01.04.2008	Limited for fulfilment of E.O of EPCG authorizations.	call for information from the RA whether any letter from DRI has been received in the matter. DOR will also submit a report in this regard.
11.	M/s PrayagPolytech Private Limited 01/37/218/255/AM-14/EPCG-II	0530143361 dated 23.03.2007 0530145692 dated 25.02.2008 0530146015 24.04.2008 0530154828 dated 18.02.2011	Condonation of delay in installation of capital goods.	The Committee observed that the Installation Certificate has already been obtained from the Central Excise and, therefore, decided to **recommend to DG for relaxation under Para 2.5 of FTP** to **condone** the delay in installation of capital goods. **This has the approval of DG.**
12.	M/s Victora Tool Engineering Private Limited 01/37/218/205/AM-14/EPCG-II	(a) 0530149246 dated 25.06.2009 (b) 0530140486 dated 22.02.2006	(a) Condonation of delay in installation of capital goods (b) Condonation for installation of capital goods at another location	(a) The Committee observed that the Installation Certificate has already been obtained from the Central Excise and, therefore, decided to **recommend to DG for relaxation under Para 2.5 of FTP** to **condone** the delay in installation of capital goods.**This has the approval of DG.** (b) The Committee observed that as per condition sheet attached with the EPCG Authorization the firm was required to install the capital goods in their unit located at Plot No. 46, Sector-25, Ballabhgarh, Faridabad, however, as per the Installation Certificate obtained by the firm from Central Excise the capital goods were installed in their unit located at Plot No. 118, 125-126, Sector-25, Faridabad. The firm has obtained installation certificate within 6 months. Both the addresses are mentioned in IEC. The Committee, therefore, decided to **condone** the procedural lapse of installing the capital goods at a different location not mentioned in EPCG Authorization.
13.	M/s SNY Autotech Private Limited 01/37/218/228/AM-14/EPCG-II	0430001836 dated 05.08.2004 0430002663 dated 17.05.2005 0430002775 dated 30.06.2005	Condonation of block-wise E.O, extension in EOP and inclusion of alternate product.	The Committee decided to **recommend to DG for relaxation under Para 2.5 of FTP** to **allow**: a. condonation from condition of fulfillment of block-wise EO subject to payment of 2% composition fee on duty saved amount in proportion to the shortfall at the end of each block in terms of the provisions of Para 5.8.2 of HBP v1(RE:2013)/Para 5.8.3 of HBP v1 (RE:2012); and b. extension in EOP for 2 years on payment of composition fee equal to 2% of proportionate duty saved amount on unfulfiled EO or an enhancement in EO imposed to the extent of 10% of total EO at the choice of exporter, for each year of

				extension sought in terms of provisions contained in Para 5.11(a) of HBP Vol. I. **This has the approval of DG.** For inclusion of alternate product, the firm may approach the concerned RA.
14.	M/s Surana Telecom and Power Limited 18/177/AM-13/EPCG-II	0930000193 dated 01.08.2001	Extension in EOP for 5 years and inclusion of alternate products.	The case was placed before EPCG Committee in its meeting held on 30.08.2013 wherein it was deferred with the direction to call for comments from DOR. DOR in their comments iterated that the request of the firm for extension in EO for 5 years does not appear to be covered under FTP provisions. Moreover, the matter was under investigation by DRI for non-fulfilment of EO. The Committee, therefore, decided to **reject** the case.
15.	M/s VeekayPolycoats Limited 01/37/218/276/AM-14/EPCG-II	0530149218 dated 23.06.2009	Shifting of capital goods imported under EPCG scheme from one unit to other.	The Committee observed that both the addresses of the unit i.e. the unit where the capital goods are installed at present and the unit where the capital goods are to be shifted are incorporated in IEC, RCMC. The firm have also produced the Installation Certificate confirming installation at the former unit. The Committee, therefore, decided to **grant permission** to shift the capital goods from Plot No. 2, Sector No. 3, 11E Ranipur, Haridwar, Uttaranchal to Plot No. SP-1, Industrial Area, Tapukara, Distt. Alwar, Rajasthan-301019 subject to the condition that the company will furnish fresh installation certificate.
16.	M/s Sampark Industries Limited 18/14/AM-13/EPCG-II	0530132877 dated 21.05.2002	Extension in EOP for 2 years i.e. upto 20.05.2014 without payment of customs duty.	Sh. ChiragAggarwal, Director of the firm appeared before the EPCG Committee and explained the case. The Committee deliberated upon the case in detail and arrived at the conclusion to **defer** it with the direction that the firm will submit a Report to DOR who in turn will furnish comments in the matter.
17.	M/s The Andhra Pradesh Paper Mills Limited 01/37/218/198/AM-13/EPCG-II	0930001455 dated 30.03.2005 0930001502 dated 17.05.2005 0930001504 dated 19.05.2005 2630000295 dated 24.10.2005 2630000299 dated 11.11.2005 2630000302 dated 06.12.2005 2630000411 dated	Acceptance of shipping bills having multiple EPCG authorization numbers and date of for discharge of E.O	Representative from DOR informed that report in the matter is awaited from the Visakhapatnam Port. Therefore, the Committee decided to **defer** the case.

		29.11.2006 2630000412 dated 29.11.2006 2630000415 dated 01.12.2006 2630000431 dated 05.01.2007		
18.	M/s Srinar Electronics Pvt. Ltd. 01/37/218/24/AM-14/EPCG-II	0430001270 dated 04.09.2003 0430001083 dated 09.05.2003 0430001555 dated 25.02.2004 0430001308 dated 25.09.2003	Acceptance of shipping bills having different EPCG Authorisations Nos. and date for fulfilment of EO	The Committee observed that RA, Chennai has confirmed that there are excess exports in two redeemed EPCG Authorizations (No. 0430002438 and 0430000546). The firm have requested that the excess exports against these two EPCG Authorizations may be counted towards fulfilment of subject 4 EPCG Authorizations. The Committee deliberated upon the case and decided to **allow** adjustment of excess exports made against the aforesaid two EPCG Authorizations (Shipping Bills carrying numbers of these two Authorizations have been produced by the firm towards fulfilment of subject 4 EPCG Authorizations) provided the exports made are within the validity period of EPCG Authorizations and subject to the condition that there is no double counting of exports and adjustment of excess exports is done in respect of value of entire shipment under a shipping bill and not a part of it.
19.	M/s Rajaram Mills Pvt. Ltd. 01/37/218/14/AM-15/EPCG-II	3530001072 dated 28.06.2005	Extension in EOP upto 13.12.2013	The Committee observed that the firm have fulfilled 100% EO upto 13.12.2013 and therefore, decided to **recommend to DG for relaxation under Para 2.5 of FTP** to **allow** extension in EOP on payment of composition fee equal to 2% of proportionate duty saved amount on unfulfiled EO or an enhancement in EO imposed to the extent of 10% of total EO at the choice of exporter, for each year of extension sought in terms of provisions contained in Para 5.11(a) of HBP Vol. I. **This has the approval of DG.**
20.	M/s Yazaki India Limited 01/37/218/201/AM-14/EPCG-II	3130000108 dated 28.02.2001 3130000123 dated 28.05.2001 3130000156 dated 01.10.2001 3130000176 dated 18.12.2001 3130000148 dated 29.08.2001 3130000219 dated 03.07.2002	Subsumption of outstanding EO against EPCG authorizations in the export performance of the unit being converted from DTA to EOU	The Committee deliberated upon the case and decided to **defer** the case with the direction to call for report from the concerned RA and Development Commissioner.

21.	M/s Print Point India (P) Limited 01/37/218/53/AM-15/EPCG-II	0730004017 dated 07.04.2006	Condonation of block-wise E.O	The Committee observed that the firm have fulfilled 100% EO during the EOP and, therefore, decided to **recommend to DG for relaxation under Para 2.5 of FTP** to **allow**condonation from condition of fulfillment of block-wise EO subject to payment of composition fee of 2% on duty saved amount in proportion to the shortfall at the end of each block in terms of the provisions of Para 5.8.2 of HBP v1 (RE:2013)/Para 5.8.3 of HBP v1 (RE:2012). **This has the approval of DG.**
22.	M/s Sri Sai Rocks 01/37/218/01/AM-15/EPCG-II	0730004005 dated 31.03.2006	Condonation of block-wise E.O and extension in EOP	The Committee decided to **recommend to DG for relaxation under Para 2.5 of FTP** to **allow**: a. condonation from condition of fulfillment of block-wise EO subject to payment of composition fee of 2% on duty saved amount in proportion to the shortfall at the end of each block in terms of the provisions of Para 5.8.2 of HBP v1 (RE:2013)/Para 5.8.3 of HBP v1 (RE:2012); and b. extension in EOP for 2 years on payment of composition fee equal to 2% of proportionate duty saved amount on unfulfiled EO or an enhancement in EO imposed to the extent of 10% of total EO at the choice of exporter in terms of Para 5.11(a) of HBP Vol. I, for each year of extension sought. **This has the approval of DG.**
23.	M/s S.K.A Exports 01/37/218/213/AM-14/EPCG-II	0530140034 dated 12.12.2005	Extension in EOP and condonation of block-wise EO.	The case was placed before EPCG Committee in its meeting held on 04.04.2014 wherein the case was deferred. This time, the Committee deliberated upon the case and decided to **recommend to DG for relaxation under Para 2.5 of FTP** to **allow**: a. condonation from condition of fulfillment of block-wise EO subject to payment of composition fee of 2% on duty saved amount in proportion to the shortfall at the end of each block in terms of the provisions of Para 5.8.2 of HBP v1 (RE:2013)/Para 5.8.3 of HBP v1 (RE:2012); and b. extension in EOP for 2 years on payment of composition fee equal to 2% of proportionate duty saved amount on unfulfiled EO or an enhancement in EO imposed to the extent of 10% of total EO at the choice of exporter in terms of Para 5.11(a) of HBP Vol. I, for each year of extension sought.

				This has the approval of DG.
24.	M/s Hindustan Syringes & Medical Devices Limited 01/36/218/225/AM-14/EPCG-I	0530139025 dated 05.07.2005	Re-fixation of average E.O.	The Committee deliberated upon the case in detail and decided to **defer** with the direction to call for comments from DIPP in the matter.
25.	M/s Elecon Engineering Company Limited 01/36/218/374/AM-14/EPCG-I	3430000321 dated 16.07.2004 3430000414 dated 04.11.2004 3430000516 dated 28.02.2005 3430000511 dated 23.02.2005 3430000583 dated 30.05.2005 3430000582 dated 30.05.2005	Condonation of procedural lapse	The Committee deliberated upon the case and decided to **defer** it with the direction to remand the case back with the request to submit the following details, in respect of each Authorizations/Shipping Bills in tabular form: a. Shipping Bill No. b. Shipping Bill Date c. EPCG Authorization No. endorsed on the Shipping Bill d. EPCG Authorization No. towards which the Shipping Bill is requested to be counted Besides the above, RA would also obtain an undertaking from the firm that Shipping Bill has not been utilized towards discharge of EO against any other licence/s.
26.	M/s Kirby Building Systems (Uttaranchal) Pvt. Ltd. 01/36/218/81/AM-14/EPCG-I	0530139821 dated 28.10.2005 0530139822 dated 28.10.2005 0530139823 dated 31.10.2005 0530139835 dated 28.10.2005 0530139836 dated 31.10.2005 0530139954 dated 02.12.2005 0530139955 dated 02.12.2005 0530140729 dated 24.03.2006 0530140730 dated 24.03.2006	To accord relaxation for mentioning of several authorization numbers on each ARE-I, Bill of export and Invoices and in Para 5.18.6 of HBP v1 under Para 2.5 of FTP for clubbing of 9 EPCG authorizations issued during the year 2005 and 2006.	The Committee deliberated upon the case and decided to **defer** it.

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
FE = Foreign Exchange
IEC = Importer-Exporter Code
DOR = Department of Revenue
CLA = Central Licensing Area
IEM = Industrial Entrepreneurs Memorandum
RCMC = Registration-cum-Membership Certificate

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