MINUTES OF EPCG COMMITTEE MEETING HELD UNDER THE CHAIRMANSHIP OF SHRI N. P. S. MONGA, ADGFT AT 02.00 P.M. ON 23.05.2012

Following officers attended the meeting:

(a) Shri Anil Kumar Singh, Joint Director General, DGFT
(b) Shri K. K. Tiwari, Industrial Adviser, Department of Heavy Industry
(c) Shri K. K. Sinha, Industrial Adviser, Department of Industrial Policy and Promotion
(d) Shri A. K. Pandey, Senior Technical Officer, Department of Revenue
(e) Dr. S. S. Tak, Joint Industrial Adviser, Ministry of Steel
(f) Mrs. Rita Mahana, Deputy Director General, DGFT
(g) Shri A. K. Gopal, Foreign Trade Development Officer (EPCG.I), DGFT
(h) Shri S. K. Swarnkar, Foreign Trade Development Officer (EPCG.II), DGFT

2. Minutes of the last Meeting held on 25.04.2012 were confirmed.

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

Case No.	Firm's Name/File Number	Licence No./ Date	Subject	Decision of the Committee
1.	M/s Infocus marketing and Services Ltd., Coimbatore 01/36/218/02/AM-13/EPCG-I	3230008516 dated 04.12.2006	Condonation of procedural lapse of not mentioning EPCG License No. 3230008516 dated. 4.12.2006 and name on Third Party Shipping Bills (IEC No. 3206011779)	This case was placed before the EPCG Committee in its meeting held on 25.04.2012 wherein it was deferred with the direction to the firm to give corroborative evidence in support of their claim of having made exports through third party. The Committee further observed that the firm have made the exports through its supporting manufacturer M/s Lakshmi Automatic Loom Works Limited, Coimbatore and decided to **defer** the case with the direction to seek details regarding Average Level of Exports maintained by Supporting Manufacturer.
2.	M/s Alpine Wineries Private Limited, Bangalore 01/36/218/134/AM-12/EPCG-I	0730010546 dated 14.09.2011	Ratification of import of Agricultural narrow tractor for Grape vineyard against License No.0730010546 dated 14.09.2011.	The case was placed before the Committee in its last meeting held on 25.04.2012 wherein it was deferred as the technical members sought more time to go through the technical details of the Capital Goods imported against the Authorization. This time, the Members felt that the Agriculture Narrow Tractor (Capital Goods) is a special type of Tractor which is used in the vineyard and is not manufactured in India. The Committee, therefore, decided to **recommend to DG (under Para 2.5**

				of FTP) to ratify the import of Agriculture Narrow Tractor in relaxation of Para 4 & 5 of the Policy Circular No. 48 dated 19.12.2008. **DG has approved the case.**
3.	M/s Iskraemeco Regent Limited, Trichy 01/36/218/196/AM-12/EPCG-I	0430000695 dated 15.07.2002	Widening of nexus for adding more products for exports against EPCG Authorization No. 0430000695 dated 15.07.2002 issued to M/s Iskraemeco Regent Limited (Licence issued in the name of M/s Seahorse Industries Limited, Chennai)	The case was placed before the Committee in its last meeting held on 25.04.2012 wherein it was deferred with the direction to call for the details of the Capital Goods and export products. The Committee observed that the requisite information has not been furnished by the firm and, therefore, decided to **defer** the matter till the requisite information is received.
4.	M/s Krishna Filament Ltd., Mumbai 01/36/218/223/AM-12/EPCG-I	P/CG/2134335 dated 08.06.1995	Regularization of EPCG Licence No. P/CG/2134335 dated 08.06.1995.	The case was placed before the Committee in its last meeting held on 25.04.2012 wherein it was deferred with the direction that the concerned Regional Office will obtain confirmation of the Certificate of procurement/installation of the indigenous machinery from Local Central Excise Authorities within 10 days. The Committee observed that the requisite confirmation has not been furnished by the Regional Office and, therefore, decided to **defer** the case till a report is received in the matter.
5.	M/s Chhaya Gems, Mumbai 01/36/218/171/AM-12/EPCG-I	0330002646 dated 4-10-2002; 0330005702 dated 5-5-2004; 0330009309 dated 4-8-2005; 0330010756 dated 6-1-2006	For Re-Fixation of Average Export Obligation due to split in the Partnership firm against the above EPCG Licenses	The case was placed before the Committee in its last meeting held on 25.04.2012 wherein it was deferred with the direction to call for representative of the firm for easy understanding of the case. Representative of the firm appeared before the Committee and explained the case before the Committee. The Committee observed that the split units are similar in nature and the firm have furnished the proof in

				furnished the proof in respect of the split in the Partnership firm, Partnership deed, retirement deed etc. However, the Committee observed that the firm have not furnished details regarding separate production figures in respect of two units, decrease in production capacity, Average Export figures attributable to the two units during the last 3 years before the split etc. and decided to **defer** the case with the direction to furnish the same.
6.	M/s Durabuild Technologies Pvt. Ltd., Mumbai 01/36/218/20/AM-13/EPCG-I	0330012953 dated 18.08.2006; 0330010545 dated 19.12.2005	Condonation for shortfall in block-wise fulfilment of Export Obligation against EPCG Authorization Nos. 0330012953 dated 18.08.2006 and 0330010545 dated 19.12.2005	The Committee decided to **recommend to DG for relaxation under Para 2.5 of FTP** to allow condonation in fulfilment 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. **DG has approved the case.**
7.	M/s Ishman International, Noida 01/36/218/07/AM-13/EPCG-I	0530142166 Dated 18.10.2006	Condonation of procedural lapse of not intimating Regional Office before shifting of Capital Goods imported against EPCG Authorization No. 0530142166 Dated 18.10.2006	The Committee observed that (a) the firm have installed the Capital Goods in their Unit at A-113, Sector-5, Noida, U.P. – 201301 instead of their unit at F-30, Sector-VI, Noida, UP (mentioned on the licence) due to non-availability of sufficient space (b) the addresses of both the units are mentioned on the IEC and RCMC (c) the firm is not registered with Central Excise and (d) the firm have already furnished a copy of the Installation Certificate by an Independent Chartered Engineer. The Committee, therefore, decided to condone the procedural lapse of not intimating the Regional Authority the installation of Capital Goods imported against EPCG Authorization No. 0530142166 Dated 18.10.2006 in their unit at

				10.10.2006 in their unit at A-113, Sector-5, Noida, U.P. – 201301 instead their unit at F-30, Sector-VI, Noida, UP (mentioned on the licence).
8.	M/s Loyal Textile Mills Limited, Chennai 01/36/218/13/AM-13/EPCG-I	3530002022 dated 22.09.2006; 3530002412 dated 23.02.2007; 3530002412 dated 23.02.2007; 3530002487 dated 26.03.2007	Condonation for not intimating the concerned Regional Office before installation of Capital Goods in different location/unit of the same company – request for regularization of EPCG Licences.	The Committee observed that (a) all the three units at Kovilpatti, Subbipuram and Arasanur are manufacturing units of Loyal Textile Mills Ltd. but located at different places (b) Importer/Licence Holder/Legal Entity is only one (c) IEC and SIA's Memborandum have mention of all the three units on them. The Committee, therefore, condoned the procedural lapse of not intimating the concerned Regional Office about the installation of Capital Goods from the unit at Subbipuram to units at Kovilpatti and Arasanur subject to the condition that the firm will produce the installation certificate to the concerned RA within a period of 6 months.
9.	M/s Jindal Poly Films Limited, New Delhi 01/36/218/173/AM-12/EPCG-I	0130409 dated 27.05.1999; 0129178 dated 12.04.1999	Condonation of Block-wise fulfilment of export obligation against EPCG Authorization Nos. 0130409 dated 27.05.1999 and 0129178 dated 12.04.1999	The Committee decided to **recommend to DG for relaxation under Para 2.5 of FTP** to allow condonation in fulfilment 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. **DG has approved the case.**
10.	M/s Meghalaya Bitchem Private Limited, Meghalaya 01/36/218/19/AM-13/EPCG-I	0230002999 dated 12.02.2008	Waiver of Annual Average Export Obligation and Customs Duty against EPCG Authorization No. 0230002999 dated 12.02.2008	The Committee observed that this is a case of genuine hardship as the machine/plant imported against the EPCG Authorization No. 0230002999 dated 12.02.2008 was completely destroyed by Fire occurred on 10.06.2009 and decided to allow the firm to exit from the Scheme, by paying applicable duty plus interest, in terms of provision stipulated in Para

				provision stipulated in Para 5.14 of HBP v1.
11.	M/s JMT Auto Limited, Kolkata 01/36/218/206/AM-12/EPCG-I	0230000956 dated 11.04.2005; 0230001197 dated 26.10.2005; 0230005460 dated 30.06.2010	Adjustment of excess export made against EPCG Licence No.0230005460 dated 30.06.2010 for fulfillment of EO against EPCG Licences (0230001197 dated 26.10.2005 and 0230000956 dated 11.04.2005) issued earlier pertaining to different export period by way of clubbing of EPCG Authorizations	The committee deliberated upon the case in detail and observed that the request of the firm is regarding counting of exports made against EPCG Authorizations obtained in AM11 towards fulfilment of EO against EPCG Authorization obtained in AM06. The Committee arrived at the conclusion that exports made under licence No. 0230005460 dated 30.06.2010 should be allowed to be used for discharge of export obligation imposed on EPCG licence Nos. 0230001197 dated 26.10.2005 and 0230000956 dated 11.04.2005 provided the exports made are within the validity period of EOP of licences obtained in 2005. The Committee, therefore, decided to **recommend the case to DG** for relaxation under Para 2.5 of FTP. **DG has approved the case.**
12.	M/s Classic Enterprises Limited, Bhiwadi 01/36/218/80/AM-12/EPCG-I	0530157015 dated 22.11.2011; 0530157056 dated 25.11.2011	Waiver of annual average Export Obligation against EPCG Authorization No.0530157015 dated 22.11.2011 and 0530157056 dated 25.11.2011 on grounds of fire incident in factory Authorization Holder	The Committee observed that the unit of the firm located at E-1228, RIICO Industrial Area, Auto Anciallary Zone, Ghatal Bhiwadi, Rajasthan got fire on 05.06.2011 due to short circuit resulting in loss to the tune of approximately Rs. 20 crores and ultimately they had to close down the factory. The Committee, therefore, decided to **recommend to DG for relaxation under Para 2.5 of FTP** for refixation of Annual Average in respect of EPCG Authorization Nos. 0530157015 dated 22.11.2011 and 0530157056 dated 25.11.2011 to the extent

				25.11.2011 to the extent there is reduction in capacity of the firm (due to closure of unit on account of fire due to short circuit). **DG has approved the case.**
13.	5 Hotels and 1 Tour Transport Operator 01/36/218/229/AM-11/EPCG-I		Condonation/exemption/relaxation from the condition of Policy Circular 7 dated 07.05.2008 regarding registration of vehicles imported under EPCG Scheme as Tourist Vehicle for the purpose of regularization of EPCG Authorizations issued to the Hotels/Tour Transport Operators.	The Committee decided to **withdraw** the case with the direction to examine the same on the file.
14.	M/s. Tata Steel Ltd., New Delhi F.No.18/10/AM-13/EPCG-II	List of EPCG authorisations are indicated in the representation of the firm.	Request for grant of 6 months time from the date of commissioning of the capital goods for submission of installation certificate.	The Committee observed that the firm is in the process of commissioning of Capital Goods imported under EPCG Scheme. Some of the Capital Goods have been installed whereas some of them have not been installed yet. The Committee observed that the firm is in the process of expansion and setting up new units which is a time-consuming process and will be completed only by December, 2012 and hence allowed the extension in time for submission of installation certificate upto June, 2013.
15.	M/s. Shakti Press Ltd., Nagpur F.No.18/197/AM-12/EPCG-II	0330001250 dated 31.07.2001	The firm has requested to extension in EOP for a period of 60 months.	The Committee decided to **recommended to DG for relaxation under Para 2.5 of FTP** to allow Extension in EOP upto 12 years from the date of issuance of Licence i.e. upto 30.07.2013 on payment of applicable composition fee / customs duty. **DG has approved the case.**
16.	M/s Prime Papyrus Products 18/12/AM-13/EPCG-II.	0530144101 dated 12.07.2007; 0530144880 dated 29.10.2007;	Condonation of delay in obtaining installation certificate from Central Excise	The Committee observed that the firm has obtained installation certificate both from Chartered Engineer as well as from Central Excise Authority.

		0530145300 dated 31.12.2007; 0530146581 dated 03.07.2008; 0530148036 dated 19.12.2008 & 0530148373 dated 06.02.2009.		However, on the Certificate issued by the Central Excise Authority date of installation is not mentioned. The installation certificate issued by the Chartered Engineer bears the date. The Committee, therefore, decided to accept the installation certificate issued by Central Excise Authority with collateral proof i.e. installation certificate issued by Chartered Engineer.
17.	M/s. Transgene Biotek Ltd. F.No.18/137/AM-12/EPCG-II	2108426 dated 17.08.1994; 2108417 dated 01.07.1994 & 2133258 dated 29.07.1994	Extension in export obligation period upto June,.2012 and acceptance of export of technology towards fulfilment of export obligation.	The Committee observed that there is no provision for extension in EOP beyond 12 years. Moreover, EPCG Scheme does not envisage export of technology. The Committee, therefore, **rejected** the case.
18.	M/s Sesa Goa Limited (Reference received from RA, Goa) F.No.18/23/AM-13/EPCG-II	1730001104	Clarification regarding shifting of machineries imported under EPCG authorization No.1730001104 dated 'Nil'.	The Committee observed that the addresses of both the units at Meghalahally Village, Bheemasamudra, Chitradurga and at Amona, Bicholim, Goa-403107 are indicated on IEC and, therefore, decided to convey the Regional Office to allow the shifting from one unit at Chitradurga to another unit at Bicholim subject to condition that the firm will furnish fresh installation certificate within a period of 6 months.
19.	M/s. Polyplex Corporation Ltd. F.No.18/192/AM-12/EPCG-II	0530147786 dated 19.11.2008	Acceptance of supply of Capital Goods made by M/s Lipid Systems Engineers Pvt. Ltd. instead of M/s Bran Engineering Pvt. Ltd. against the invalidation of EPCG Licence No. 0530147786 dated 19.11.2008 which was done in the name of M/s Bran Engineering Pvt. Ltd.	The Committee observed that the invalidation of the Authorization was done in the name of M/s Bran Engineering Pvt. Ltd. but the supply was made by its other unit viz. M/s Lipid Systems Engineers Pvt. Ltd. The Committee further observed that on the invoice of M/s Lipid Systems Engineers Pvt. Ltd. it is clearly mentioned that the buyer for this product is M/s Bran Engineering Pvt. Ltd. and material is supplied to M/s Polyplex Corporattion Ltd. for and on behalf of M/s Bran Engineering Pvt. Ltd.

				by M/s Lipid Systems Engineers Pvt. Ltd. The Committee, therefore, decided to direct the Regional Office to amend the old invalidation letter to incorporate the name of M/s Lipid Systems Engineers Pvt. Ltd. also from the date of issue of original invalidation for the purpose of regularization only.
20.	M/s Tata Motors Ltd. F.No.18/19/AM-13/EPCG-II	0330002600 dated 25.09.2002.	Export of capital goods imported under EPCG Scheme for repairs and import thereof.	The representative of DOR stated that the firm should pay customs duty at the time of re-import on repair charges if paid by them. The Committee, therefore, decided to **recommend to DG under Para 2.5 of FTP for relaxation of provision of Para 5.16 of HBP v1** to allow the re-export of the capital goods subject to furnishing of an undertaking that the firm would re-import the same capital goods after repairs. **DG has approved the case.**
21.	M/s. Rajasthan Baryles Ltd., F.No.18/17/AM-13/EPCG-II	1330000439 dated 20.01.2004	Request for condonation of block wise EO and extension in EOP for a period of 2 years	The Committee decided to **recommend to DG** to allow Extension in EOP for 2 years on payment of composition fee in terms of provisions contained in Para 5.11 of HBP Vol. I. The Committee also decided to **recommend to DG** to allow condonation in fulfilment 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 5.8.3 of HBP (Vol. I). **DG has approved the case.**
22.	M/s. Tatia Intimate Exports Ltd. F.No.20/418/95/EPCG-IV	P/CG/2133681 dated 25.11.1994.	Extension in EOP upto 2006 and condonation of procedural lapse of not mentioning EPCG authorization and date on the third party shipping bills.	A representative of the firm appeared before the Committee and gave representation in the name of M/s Tatia Global Venture Limited. The

				Committee, then, asked the representative to explain the relationship between the two firm viz. M/s Tatia Intimate Exports Limited & Tatia Global Venture Ltd. The Committee decided to **defer** the case with the direction to the firm to furnish the proof of relationship between the two firms.
23.	M/s. Synergy Telecommunications. F.No.18/25/AM-13/EPCG-II	2230001087 dated 29.01.2009.	Allowing shifting of machineries imported under EPCG authorization No.2230001087 dated 29.01.2009	The Committee observed that the addresses of both the units at M/s Synergy Telecommunications, Village Dherowal, Tehsil Nalagarh, Solan and M/s Synergy Telecommunications, Village Majholi, Tehsil Nalagarh, Solan are indicated on IEC and, therefore, decided to convey the Regional Office to permit the shifting from the one unit to the another unit subject to condition that the firm will furnish fresh installation certificate within a period of 6 months.
24.	M/s Om Mechaatronics, F.No.18/15/AM-13/EPCG-II	0730001583 dated 12.02.2004.	Request for condonation of block wise EO and extension in export obligation period for two years in respect of EPCG authorization No.0730001583 dated 12.02.2004.	The Committee decided to **recommend to DG for relaxation under Para 2.5 of FTP** to allow extension in EOP for 2 years on payment of applicable composition fee and to allow condonation in fulfilment 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. **DG has approved the case.**
25.	M/s Enercon (India) Limited, Mumbai 01/36/218/189/AM-12/EPCG-I (Part File)	15 licences issued during AM05 to AM07	Extension of EOP for 2 years as per Para 5.11 of HBP 2009-14 Vol. I and Condonation of Block-wise fulfilment of EO against 15 licences issued during AM05 to AM07 as given in firm's representation dated 16.03.2012	The Committee decided to **recommend to DG for relaxation under Para 2.5 of FTP** to allow extension in EOP for 2 years on payment of applicable composition fee and to allow condonation in fulfilment 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. **DG has approved the case.**
26.	M/s Pamer Agroventures (P) Ltd., Hazipur, Vaishali F. No. 18/29/AM-13/EPCG-II	2130000001 dated 08.08.2001	Extension in EOP upto 12 years as per Notification No. 15 dated 13.09.2002	The Committee observed that the Notification No. 15 dated 13.09.2002 which allows 12 years EOP to the units located in AEZ cannot be given effect retrospectively (i.e. for the licence issued prior to 13.09.2002). The Committee, however, decided to **recommend to DG for relaxation under Para 2.5 of FTP** to allow the extension for 12 years from the date of issue of licence with the condition that the firm will pay applicable composition fee / Customs duty. **DG has approved the case.**
27.	M/s Riddhi Siddhi Gluco Biols Ltd., Ahmedabad 18/78/AM-12/EPCG-II	03501102 dated 11.02.1999 0111224 dated 11.06.1999	(i) Change in ownership from M/s Bhavari Starch Ltd (BSL) to M/s Riddhi Siddhi Gluco Biols Ltd.; (ii) Extension in EOP for 2 years (iii) Transfer of both the EPCG Authorization from RA, Mumbai to RA, Ahmedabad	The Committee noted that: (a) M/s Bhavari Starch Limited, Mumbai being the original licence holder became sick and could not fulfil the EO; (b) The IDBI Limited auctioned the Capital Goods to M/s Siwana Agri Marketing Limited under SARFAESI Act for recovery of its loan granted to M/s Bhavari Starch Limited, Mumbai; (c) M/s Riddhi Siddhi Gluco Biols Ltd., Ahmedabad purchased the Capital Goods from M/s Siwana Agri Marketing Limited in open sale and intimated the Custom Authority. The Committee further noted that: (a) the Appellate Authority recommended for extension in EO by RA; (b) the licensee approached O/o ZJDGFT, Mumbai which transferred the request to DGFT which

				could not be considered; (c) licensee has granted 'No Objection' to transfer of licence in the name of M/s Riddhi Siddhi Gluco Biols Ltd.; (d) M/s Riddhi Siddhi Gluco Biols Ltd. has offered to fulfil the EO provided extension of 2 years is granted from the date of endorsement, change of ownership in its name and transfer of Authorizations from RA, Mumbai to RA, Ahmedabad. The Committee, therefore, unanimously decided to **recommend the case to DG for relaxation under Para 2.5** for approval of the requests made by the firm. **DG has approved the case.**
28.	M/s Standard Spinning & Weaving Mills Ltd., Sivakasi F. No. 18/27/AM-13/EPCG-II	3530000477 dated 19.12.2003; 3530000514 dated 24.02.2004; 3530000604 dated 27.07.2004; 3530000605 dated 27.04.2004	Condonation of block-wise EO for 2nd & 3rd blocks	The Committee decided to **recommend to DG for relaxation under Para 2.5 of FTP** to allow condonation in fulfilment 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. **DG has approved the case.**

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