**MINUTES OF EPCG COMMITTEE HELD AT 11.00 AM ON 04.5.2011 IN ROOM NO. 04, UDYOG BHAWAN, NEW DELHI UNDER CHAIRMANSHIP OF SHRI V.K. GUPTA, ADDITIONAL DIRECTOR GENERAL OF FOREIGN TRADE.**

S. No. Name and Designation
1. Shri V.K. Gupta, Addl. DGFT & Chairman
2. Shri S.S. Tak, Industrial Advisor, M/o Steel.
3.. Shri R.A Lal, Director, O/o Textile Commissioner.
4. Shri Pramod Kumar, Technical Officer, DOR
5. Shri Ishwar Singh, Dy. DGFT.
6. Shri Kamlesh Kumar, FTDO (EPCG-I).
7. Shri Sunil Kumar Swarnkar, FTDO (EPCG-II)

2. Minutes of last Meeting dated 03.3. 2011 were confirmed.

3. The Committee perused the comments of DOR furnished vide O.M No. 605/13/10-DBK dated 4.5.2011(handed over to Chairman by the representative of DOR before the commencement of the meeting) and deliberated upon the Agenda on case to case basis and took the following decisions as per the provisions contained in Chapter 5 of FTP/HBP 2009 -2014 read with current Para 2.5 of FTP.

| SI. No. | Firms Name | EPCG Lic. No. and Date | Request of the firm | Decision of the EPCG Committee |
|---|---|---|---|---|
| 1 | M/s Mitra Industries (P) Ltd | (i) 0530134592 Dt. 01.08.2003<br>(ii) 0530135938 Dt. 22.03.2004<br>(iii) 0530137065 Dt. 24.09.2004 | Condonation of block-wise fulfillment. | The Committee noted that the request of the firm is covered as per Para 5.8.3 of current HBP VolI and allowed condonation of block-wise performance subject to payment of composition fee of 2% of duty saved amount in proportion to the shortfall at the end of each block. |
| 2 | M/s Max Speciality Films, Chandigarh | 223000001 Dt. 18.12.2001 | Nexus approval in respect of items at S.No. 4 to 9 of import list. | It was noted that the nexus was though earlier approved in respect of all the import items, but yet the same was withdrawn subsequently in respect of items at S.No. 4 to 9 of the Import list. The Committee deferred the case for want of requisite details. Therefore, decided to call the firm in personal hearing alongwith copy of application; catalogue and usage of the items. |

| | | | | |
|---|---|---|---|---|
| 3 | M/s Hotel Queen Road Pvt. Limited, Delhi | N.A. | To condone the delay in installing for capital goods imported against EPCG Licenses issued to M/s Hotel Queen Road Pvt. Ltd., New Delhi. | The Committee condoned delay in submission of installation certificate of the capital goods imported against EPCG Licenses in relaxation of Para 5.3.1 of current HBP.Vol.I . |

| | | | | |
|---|---|---|---|---|
| 4 | M/s A1-quresh Exports., Mumbai | 0330007658 Dt. 14.01.2005 | To condone delay in installing for capital goods imported against EPCG License No. 0330007658 dated 14.01.2005. | The Committee condoned delay in submission of installation certificate of the capital goods imported against EPCG Licenses in relaxation of Para 5.3.1 of current HBP.Vol.I . |
| 5 | M/s Mars International India Pvt. Ltd., Hyderabad | 0530132925 Dt. 31.05.2002 | Condonation of block-wise fulfillment. | The Committee noted that the request of the firm is covered as per current Para 5.8.3 and allowed condonation of block-wise performance subject to payment of composition fee of 2% of duty saved amount in proportion to the shortfall at the end of each block. |
| 6 | M/s Quadra Press Limited, Chennai | 0430001922 Dt. 08.09.2004 | (a)Condonation of block-wise fulfillment.<br>(b) Inclusion of alternate products. | The requests for inclusion of alternate product and condonation of block-wise performance are covered under Para 5.5(i) of current FTP and Para 5.8.3 of current HBP.Vol.I, respectively. Therefore, the committee |

| | | | | |
|---|---|---|---|---|
| | | | (c) Extension in export obligation period for two years. | acceded to (a) Condonation of fulfillment of mandatory block-wise EO on payment of composition fee of 2 % in proportion to the shortfall at the end of block for each block and also (b) allow to fulfill export obligation through alternate products subject to valid RCMC and Industrial licence with the firm from the date of application.<br>(c) Request for extension in EO is pre mature at this stage since EOP is still valid. |
| 7 | M/s Tata Motors, Mumbai | 0330002600 Dt. 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, allowed the re-export of the capital goods for repair subject to furnishing of an undertaking that the firm would re-import the same capital goods after repairs and pay the applicable customs duty on this count. |
| 8 | M/s Venkataramana Food Specialties Limited. | (i) P/CG/2155884 Dt. 12.04.2001<br>(ii) P/CG/2155888 Dt. 20.07.2001 | (i) Extension in export obligation period.<br>(ii) Inclusion of additional export product (i) ready to eat snack food –Ring, samba chips senor | The committee noted that the request for inclusion of alternate product is covered under Para 5.5.(i) of current FTP and hence allowed the same from the date of application subject to the valid RCMC/Industsrial licence for the included product(s) and subject to the |

| | | | | |
|---|---|---|---|---|
| | | | peptic (tortilla) & (ii) Ready to Fry pellets- wheat/ Soya/ Potato/ Corn/Rice based. | condition to maintain annual average export obligation in respect of the original product as well as the alternate product. The committee also acceded to extend the EO period for two years i.e. upto 12.04.2011 in terms of para 5.11 of current HBP Vol.I subject to payment of 2% composition fee for each year of extension. |
| 9 | M/s Sunex Precision Pvt. Ltd., Faridabad | 0530144761 Dt. 09.10.2007 | Relaxation of period for submission of installation certificate. | The Committee condoned delay in submission of installation certificate of the capital goods imported against EPCG Licenses in relaxation of Para 5.3.1 of current HBP.Vol.I . |
| 10 | M/s A1 Optics Limited | (i) 0430001930 Dt. 13.09.2004 (ii) 0430002990 Dt. 31.08.2005 (iii) 0430003449 Dt. 01.03.2006 | (a) Shifting of excess exports from one licence to other licences. (b) Condonation of block-wise fulfillment. (c) Inclusion of alternate products. | The Committee observed that the firm has fulfilled the export obligation in respect of all the three licences. It was also observed that the export product against two authorizations are the same and against one licence, the product is different. The Committee noted that there is no condition in the current HBP.Vol.I that the product of all the licences should be the same for clubbing. Having regard to the facts that the firm has fulfilled entire export obligation, the Committee approved clubbing of all the three licences and shifting of excess exports from one licence to other licences. |

| | | | | |
|---|---|---|---|---|
| | | | | The requests for inclusion of alternate product and condonation of block-wise performance are covered under Para 5.5(i) of FTP and Para 5.8.3 of current HBP.Vol.I, respectively. Therefore, the committee acceded to (a) Condonation of fulfillment of mandatory block-wise EO on payment of composition fee of 2 % in proportion to the shortfall at the end of block for each block and also (b) allow to fulfill export obligation through alternate products subject to valid RCMC and Industrial licence with the firm on the date of application. |
| 11 | M/s Jindal Niryat Ltd., Delhi | 0085309 Dt. 19.08.1997 | To Condone the delay for submission of request for block-wise condonation. | The Committee observed that the request of firm is regarding condonation of provisions of Policy Circular No.7 dated 11.7.2002 and not for condonation of block wise EO. It was decided to obtain a report from CLA New Delhi and to put up before the Committee. |
| 12 | M/s Sterlite Industries (India) Limited, Mumbai | 0330004363 Dt. 23.09.2003 | Nexus approval in respect of EPCG authorizations no.0330004363 dated 23.09.2003 | Shri S. Verdharajan, Vice President and Shri Samir Gupta, Plant Head appeared and made submissions to the Committee for reconsideration of the decision of EPCG Committee held on |

| | | | | |
|---|---|---|---|---|
| | | | | 03.06.2010 according to which nexus was rejected due to non-receipt of original application, catalogue of capital goods and flow chart. The representatives showed the above documents coupled with electronic demonstration of functioning of machineries and processing of export product. The Committee was convinced and therefore nexus was certified in supersession of its earlier decision dated 3.6.2010. |
| 13 | M/s Pawan Kumar & Co. | 3030000234 Dt. 05.11.2001 | Condonation of block-wise fulfillment. | The Committee noted that the request of the firm is covered as per Para 5.8.3 of HBP VolI and allowed condonation of block-wise performance subject to payment of composition fee of 2% of duty saved amount in proportion to the shortfall at the end of each block. |
| 14 | M/s Precision Equipments(Chennai) Pvt. Ltd., Chennai | | Issuance of EPCG Authorization for import of stahl Crane Systems, Electric Chain Hoists, Wheel, Travel Drive and Releasing Device under EPCG Scheme. | It was noted that the firm proposes to import as many as 9 cranes which appeared to be on the higher side. Therefore, the Committee desired to request the firm to submit capital good-wise details of their usage for pre production, production and post production activities and also whether these capital goods are to be |

| | | | | |
|---|---|---|---|---|
| | | | | used within the premises of the factory for production purposes or the same is proposed to be used for construction of factory as well. |
| 15 | M/s Sanghi Industries Ltd, New Delhi | CG/2156099 Dt. 19.12.1996 | Re-fixation of export obligation on the basis of duty saved amount against EPCG authorization no.CG/2156099 dated 19.12.1996. | Shri Sachidanand, General Manager (Export) appeared before the Committee and made submissions that the firm had completed entire export obligation and that it had submitted their request for re-fixation of EO on duty saved amount basis on 11.8.2006. The Committee observed that the facility of re-fixation is allowed subject to fulfilling conditions in para 5.19 of current HBP.Vol.I and accordingly, the Committee decided to allow re-fixation of export obligation on duty saved amount basis from the date of application i.e 11.8.2006 as per current FTP/HBP.Vol.I. |
| 16 | M/s C & S Electric, Noida | Not available. | To condone the delay in installing for capital goods imported against EPCG Licenses issued to M/s C&S Electric, Noida. | The Committee regularized delay in installation of the capital goods imported against EPCG Licenses subject to the condition that the firm would be required to submit fresh installation certificate from the Central Excise Authorities or Chartered Engineer, whichever is applicable, in terms of para 5.3.1 of current |

| | | | | |
|---|---|---|---|---|
| | | | | HBP.Vol.I in certification of having installed the capital goods for the intended purpose. |
| 17 | M/s Hindustan Zinc Limited, Udaipur | As per Annexure | Re-fixation of Annual Export Obligation excluding the export of EOU (converted to DTA on 8.05.2010) in respect of EPCG authorizations issued from 2007-08. | A note on Average Export Obligation has been circulated alongwith the agenda meeting among the members which would be discussed in the ensuing meeting of EPCG Committee. Therefore, the views of DoR may be accepted . |
| 18 | M/s Jain Studio Ltd., New Delhi | 0530130599 Dt. 30.09.1999 | Extension in E.O. period upto 12 years from the date of issue under Para 5.11 of HBP Vol.I. | The Committee generally does not entertain the request of firms which have already been adjudicated. However, in the instant case, the Appellate Authority has forwarded the file with the remarks" May please consider if admissible " w.r.t. appellants request for referring the request to EPCG Committee for EO extension. Committee was of a view that case could be considered in terms of Para 5.11 of current HBP Vol.- read with Para 2.5 of current FTP FTP i.e. is to say EO period can be extended by obtaining 2% composition fee for each blocks ; 2% of |

| | | | | |
|---|---|---|---|---|
| | | | | proportionate duty for $9^{th}$ & $10^{th}$ each year and 50% custom duty for $11^{th}$ & $12^{th}$ year. Outer limit of extension is September, 2011. Therefore, the Committee decided to draw the attention of Appellate Authority to the provision of Para 5.11 of current HBP Vol.I for appropriate action as deemed fit. |
| 19 | M/s Fuso Glass India Pvt. Limited, Chennai | 043000170 Dt. 21.05.2004 & other 12 licences. | Acceptance of ARE-I in lieu of Bill of Entry for supplies made to SEZ Unit for fulfillment of export obligation against EPCG authorization. | Shri Madan Lal appeared before the Committee and made submissions to the Committee that the Excise authorities in SEZ allows supply of goods on the basis of ARE-I in addition to shipping bills. The representative informed the Committee that the ARE-I bear EPCG licence number and date. Therefore, the Committee decided that RA may get the ARE-I verified from the SEZ/Excise authorities to ensure that the supplies have been made to SEZ against the ARE-I as claimed by the firm and there is correlation between supplies made vide ARE-I and export product. |
| 20 | M/s Bombay Dyeing & Mfg. Co. Ltd | As per enclosed | Deletion of annual average in respect of 23 | The representative of DOR informed that the unit claimed to have closed is |

| | | | | |
|---|---|---|---|---|
| | | | EPCG Authorization issued during the period 2.8.2006 to 27.5.2008. | still in operation. Therefore, the Committee approved that the firm may be asked to submit documentary proof in certification of the fact that the unit has finally closed and Industrial License/ RCMC of the firm has been surrendered. Therefore, the Committee deferred the case. |
| 21 | M/s Shriram Pistons & Rings Ltd, Ghaziabad | 0530150395 Dt. 18.11.2009<br>0530150394 Dt. 18.11.2009<br>0530151116 Dt. 1.2.2010<br>0530151117 Dt. 01.02.2010<br>0530151888 Dt. 23.04.2010 | Prior Permission of for transfer of capital goods from one unit to another before completion of export obligation. | The Committee noted that both the units have same IEC/RCMC; both units are managed/controlled by same company; and the capital goods have been installed and put to use for the same purpose as was intended for.<br>In view of the above, the Committee allowed transfer of capital goods from Ghaziabad Plant to Pathredi Plant subject to the condition that the firm has not come to adverse notice of Excise authority and the firm would be required to submit fresh installation certificate also to the concerned RA within three months. |