MINUTES OF EPCG COMMITTEE MEETING HELD AT 11.00 AM ON 20.07.2011 IN ROOM NO. 11, UDYOG BHAWAN, NEW DELHI UNDER CHAIRMANSHIP OF SHRI V.K. GUPTA, ADDITIONAL DIRECTOR GENERAL OF FOREIGN TRADE.

S. No. Name and Designation

(a) Shri V.K. Gupta, Addl. DGFT & Chairman.
(b) Shri R. A. Lal, Director, O/o Textile Commissioner, Noida.
(c) Shri K. K. Sinha, Industrial Adviser, DIPP.
(d) Shri K. K. Tiwari, Industrial Adviser, DHI.
(e) Shri S. S.Tak, Deputy Industrial Adviser, M/o Steel.
(f) Shri R. K. Agarwal, US(DBK), D/o Revenue.
(g) Shri Ishwar Singh, Deputy DG, DGFT
(h) Shri A. K. Gopal, FTDO(EPCG.I), DGFT
(i) Shri S. K. Swarnkar, FTDO(EPCG.II), DGFT

2. Minutes of the last Meeting held on 04.05.2011 were confirmed.

3. The Committee deliberated upon all the cases and took the decisions indicated against each of the case below:

Sl. No.	Firms Name	EPCG Licence No. and Date	Request of the firm	Decision of the EPCG Committee
1.	M/s APPL Industries Limited, Gurgaon 18/17/AM-12/EPCG-II	3130000104 Dated 16.02.2001	(i) Change of name from Aalekh Industries Pvt. Ltd to APPL Industries Ltd as per Delhi High Court order; (ii) Extension in export obligation period upto 15.02.2013; (iii) Condonation of block-wise EO; and, (iv) Re-fixation of EO from CIF to duty saved amount basis	M/s Aalekh Industries Pvt. Ltd.(EPCG authorization holder) has been amalgamated /merged with M/s APPL Industries Ltd. w.e.f. 1.4.2004 as per Hon'ble Delhi High Court Order dated 10.01.2006 with all liabilities and assets. The Committee therefore decided to allow change of name from M/s Aalekh Industries Pvt. Ltd. to M/s APPL Industries Ltd. The firm is inclined to fulfil the Export Obligation and sought for facilities viz. extension in Export Obligation Period for 4 years i.e. upto 15.02.2013; condonation of block-wise EO; and re-fixation of EO from CIF to duty saved amount basis. The Committee decided to allow the benefits of provisions under Paras 5.11, 5.8.3 and 5.19 of HBP on payment of composition fee.
2.	M/s Arjuna Natural Extract Ltd., Kerala 01/36/218/194/AM-11/EPCG-I	N. A.	Issuance of EPCG authorization for supply and installation of laboratory furniture items	The firm's request for import of laboratory furniture is exclusively for the use in laboratory for R&D purpose. R&D services are allowed as per para 5.5(iv) read with

			items.	per para 5.5(iv) read with Appendix 10-C of HBP.Vol.I. The firm would be exporting fruit/seed extracts. Therefore, the Committee approved for issuance of EPCG Authorization to the firm for import of Laboratory Furniture for R&D services.
3.	M/s Arvind Engineering Industries, Chennai 01/36/218/33/AM-12/EPCG-I	(i) 04300351 Dt. 02.03.1998 (ii) 04500403 Dt. 30.07.1998	Condonation of condition of Circular 7 dated 11.7.2002 for third party export.	It was noted that the firm has claimed to have fulfilled the export obligation through third party (M/s Appaswamy Associates) exports. However, the procedure to mention the names of Authorisation Holder and Third Party has not been followed for which condonation has been sought for. The third party has executed an affidavit/undertaking not to count the export obligation for any other licences. It was further noted that the Bank Realisation Certificates of Third Party have mention of the licence No. Issued to M/s Arvind Engineering Industries. The Committee, therefore, allows counting of the exports made by M/s Appaswamy Associates towards discharge of export obligation against the EPCG Authorizations issued to M/s Arvind Engineering Industries subject to verification that invoices and Bank Realisation Certificates contain the number and date of subject authorisations.
4.	M/s Bombay Dyeing & Mfg. Co. Ltd., Mumbai 01/36/218/18/AM11/EPCG-I	As per Agenda	Refixation of Annual Average EO in respect of EPCG Authorizations issued from 02.08.2006 to 27.05.2008	The case was earlier considered in EPCG Committee meeting held on 04.05.2011 wherein it was deferred for want of documentary evidence in certification of closure of the Unit at Prabhadevi. Shri Bhanvar Singh, General Manager appeared before the Committee and produced a Certificate issued by Directorate of Industrial Safety & Health, Government of

				Maharashtra, which established that the Unit was closed on 1.12.2007. The Central Excise Registration Certificate of the Unit was also surrendered. In view of this, the Committee allowed re-fixation of Annual Average Export Obligation from the date of closure.
[illegible]	M/s Celebi Nas Airport Services India Pvt. Ltd., Mumbai and M/s Celebi Ground Handling Delhi Pvt. Ltd., New Delhi. 18/16/AM-12/EPCG-II	N.A.	Issuance of EPCG authorization for three tow tractors to provide ground handling services.	Shri Taner Sari, CEO, Shri Ashok Guha, Head-Finance & Accounts and Shri Santosh Nair, Manager appeared before the Committee and made submissions that they are the approved Ground Handling Service Providers at Airports at Mumbai and Delhi; the tow tractors are especially designed vehicles to be used for pulling/pushing Aircrafts; and the firm is receiving foreign exchange. Since aircrafts do not have back gear, therefore, these tractors push back the aircraft and facilitate functioning of aerobridge. The technical authorities saw the catalogue of the tow tractors and observed that these tow tractors are especially designed to be used for the specified purpose in the enclosed premises only and cannot be used for any other purpose. The Committee recommended, as per Para 2.5 of FTP, the import of tow tractors, subject to the condition that these tractors will not ply on road, cannot be used for purposes other than those required for ground handling services within the premises of the Airport and will not be sold in the market. The above recommendation of the Committee has been approved by D.G.
[illegible]	M/s Dura-line India Pvt. Ltd., New Delhi 01/36/218/19/AM-12/EPCG-I	0530130681 Dt. 22.12.1999	Condonation of block-wise fulfilment of EO.	The Committee decided to maintain its earlier decision that the facility is allowed as per the provisions of Para 5.8.3 of HBP

				(Vol. 1) subject to payment of 2% composition fee of duty saved amount in proportion to the shortfall at the end of each block.
7.	M/s Escorts Heart Institute & Research Centre Ltd., New Delhi 18/138/AM-11/EPCG-II	Fresh Issuance	Grant of EPCG authorization for import of EMS Classic type basic equipped ambulance Mercedes Sprinter 315 CDI NP 32 wheel base 3665 MM high roof manual transmission right hand drive diesel Van under EPCG Scheme.	Ambulance is an essential vehicle to provide health services to the beneficiaries. However, it was observed that Ambulance is not allowed as per provisions of Para 5.2 of FTP. Essentiality of Ambulances for a Hospital is well known. Since the import of vehicles by hospitals is not explicitly provided in the FTP, the case has been deferred.
8.	M/s Excel Plast, Coimbatore 01/36/218/33/AM-12/EPCG-I	3230008552 dated 07.12.2006	Fulfilment of export obligation through third party exports.	The firm intends to export Plastic Moulded components in the form of tooth-brush handle through third party M/s Gillete Diversified Operations Private Limited. The Committee also observed that since M/s Gillete Diversified Operations Private Limited is a manufacturer exporter, the supply made by M/s Excel Plast can be established on the basis of ARE-1 and/or other corroborative evidence viz. EPCG Licence number/date on Shipping Bill etc. Therefore, the Committee decided to allow the apportionment of value of goods supplied to the manufacturer exporter by authorization holder subject to the condition that the manufacturer exporter furnishes disclaimer for the said portion of foreign exchange earnings.
9.	M/s Fuso Glass India Pvt. Ltd., Chennai. 18/47/AM-08/EPCG-I	List of licences is attached with Agenda.	(i) Relaxation under Para 2.5 of FTP for the procedural lapse of not mentioning EPCG license Nos. on the bill of exports and ARE relating to the supply made to SEZ Units / Developers for fulfilment of EO;	The request of the firm for waiver of Annual Average Export Obligation was rejected in absence of any enabling provision therefor. Regarding condonation of procedural lapse of not mentioning EPCG Licence No. and date, the Committee decided to get the ARE-I certified by the Central Excise

			(ii) For inclusion of another Eight EPCG licenses in the decision of the EPCG Committee Meeting held on 04.05.2011; and (iii) Waiver of Annual Average	Authority and obtain a report therefrom through concerned RA. The case was, therefore, deferred to call for the above details/information.
.0.	M/s Garg Gems Pvt. Ltd., Jaipur 01/36/218/28/AM-12/EPCG-I	13300025445 Dt. 20.04.2010	To condone the delay in installation of capital goods.	The subject licences have been issued in AM-11 and the firm is finding difficult to adhere to the prescribed time-schedule for installation of the Capital Goods due to (a) non-availability of some of the allied machines and (b) non-completion of construction work of installation site. In view of the genuine hardship, the Committee decided to relax provisions of Para 5.3.1 of HBP (Vol. 1) and allowed extension of 1(One) year for submission of installation certificate.
.1.	M/s Grand Hotel (Bombay) Pvt. Ltd., Mumbai 01/36/218/229/AM-11/EPCG-I	03300100379 Dt. 23.06.2000	Condonation of condition of Policy Circular 7 dated 7.5.2008 regarding registration of vehicle for tourist purpose only before 30.06.2008.	The firm has discharged the export obligation in March, 2005 but did not obtain EODC. As per Policy Circular No. 7 dated 7.5.2008 the subject licence could not be redemmed by June, 2008. The said circular provides that in all past cases where EODC has not been obtained by 30.06.2008 and vehicles were not registered as tourist vehicles EPCG Authorization Holder would get them registered by 31.08.2008. The case however has been deferred for want of detailed justifications for relaxing the provisions of the FTP/HBP.
.2.	M/s Greaves Cotton Ltd., Mumbai 01/36/218/57/AM-11/EPCG-I	(i) 330015206 Dt. 26.02.07 (ii) 330017048 Dt. 08.08.07 (iii) 330012403 Dt. 22.06.06 (iv) 330016809 Dt. 18.07.07 (v) 330016810	To allow clubbing of Eight EPCG licenses issued during different licencing years.	The current provisions for clubbing of EPCG Authorizations do not impose condition of 'same year'. Export products are same in all the EPCG Authorizations. Therefore, the Committee decided to allow clubbing of EPCG Licences as per Para 5.18 of HBP

		(v) 330016810 Dt. 18.07.07 (vi) 330005697 Dt. 30.04.04 (vii) 330006094 Dt. 24.06.04 (viii) 430001893 Dt. 26.08.04		per Para 5.18 of HBP.
.3.	M/s Hema Engineering Industries Limited, Gurgaon 01/36/218/39/AM-12/EPCG-I	0530141550 Dt. 20.07.2006	Regularization of delay in getting installation Certificates.	The firm had obtained permission of RA to transport the Capital Goods from Delhi to Hosur which ultimately resulted in delay in installation. The Committee further observed that the delay to be condoned is merely of 3 months and, therefore, decided to allow relaxation of provisions of Para 5.3.1 of HBP (Vol. 1).
.4.	M/s Hindustan Tin Works Limited, New Delhi 01/36/218/27/AM-12/EPCG-I	(i) 0530138684 Dt. 19.05.2005 (ii) 0530148427 Dt. 16.02.2009 (iii) 0530142819 Dt. 11.01.2007 (iv) 0530137773 Dt. 04.01.2005	To condone the delay in installing the capital goods imported.	It was observed that the firm has already fulfilled the EO. Delay in submitting certificate for installation of Capital Goods is less than one year when reckoned from the completion of import. The Committee decided to condone the delay in installation.
.5.	M/s Honda Siel Power Products Pvt. Ltd., New Delhi 01/36/218/61/AM-12/EPCG-I	0530130928 Dt. 08.05.2000	Acceptance of Chartered Engineer Certificate in lieu of Installation Certificate to Central Excise Authority.	The Committee noted that the details as to the circumstances for not getting the certificate from Jurisdictional Central Excise Authority were not appended with the representation of the firm and, therefore, the case has been <u>deferred</u> to call the representative of the firm for <u>Personal Hearing</u> alongwith justification for acceptance of Chartered Engineer Certificate instead of certificate from Jurisdictional Central Excise Authority.
.6.	M/s IFB Industries Ltd., Kolkata 01/36/218/10/AM-10/EPCG-I	(i) 2128964 Dt. 18.12.91 (ii) 2134683 Dt. 03.07.92 (iii) 2129479 Dt. 14.05.92 (iv) 2134684 Dt. 03.07.92	To allow Clubbing of Five EPCG Licences.	The firm was registered with BIFR and completed the export obligation in respect of all the five licences. Scheme for rehabilitation has been sanctioned by BIFR. The current provisions for clubbing of EPCG Authorization do not

		(v) 2133919 Dt. 16.02.94		impose condition of 'same year'. Therefore, the Committee decided to allow clubbing of EPCG Licences.

	M/s Indian Yarn Ltd., Delhi 01/36/218/32/AM-12/EPCG-I	0530131552 Dt. 05.02.2001	To condone the block-wise condonation of EO fulfilment.	The Committee decided to maintain its earlier decision that the facility is allowed as per the provisions of Para 5.8.3 of HBP (Vol. I) subject to payment of 2% composition fee of duty saved amount in proportion to the shortfall at the end of each block.
	M/s Indo-Thai Airport Management Services Pvt. Ltd., Kolkata 01/36/18/48/AM-12/EPCG-I	N. A.	Issuance of EPCG authorization for two tow tractors to provide ground handling services.	The Committee observed that the tow tractors are especially designed vehicles to be used for pulling/pushing aircrafts. The catalogue of the tow tractors, indicated that these are especially designed to be used for the specified purpose in the enclosed premises only and cannot be used for any other purpose. Therefore, the Committee decided to recommend to DG to allow import of tow tractors to the firms subject to the condition that these tractors will not ply on road, cannot be used for purposes other than those required for ground handling services within the premises of the Airport and will not be sold/transferred in the market. The above recommendation of the Committee has been approved by D.G.
	M/s Jaquar & Company Pvt. Ltd., Gurgaon 18/134/AM-11/EPCG-I	0530131083 dated 05.07.2000	Condonation of block-wise export obligation for 2nd block.	The Committee decided to maintain its earlier decision that the facility is allowed as per the provisions of Para 5.8.3 of HBP (Vol. I) subject to payment of 2% composition fee of duty saved amount in proportion to the shortfall at the end of each block.
	M/s Jindal Niryat Ltd., Delhi 01/36/218/48/AM-12/EPCG-I	0085309 Dt. 19.08.1997	To condone the procedural lapse of not mentioning EPCG authorization number on shipping bills and fulfilment of block-wise export obligation.	The Committee decided to maintain its earlier decision that the facility is allowed as per the provisions of Para 5.8.3 of HBP (Vol. I) subject to payment of 2% composition fee of duty saved amount in proportion to the shortfall at the end of each

				block. Regarding condonation of procedural lapse of not mentioning EPCG Licence No. and date, the Committee decided to relax procedure in provisions of Policy Circular No. 7 dated 11.7.2002 as the Authorization No. and date could not be mentioned on the shipping bills inadvertently though the export has been made of the same product within the validity of the Export Obligation Period as M/s Jindal Niryat are manufacturer exporters.
	(i) M/s Maithan Alloys Ltd., Kolkata (ii) M/s Corporate Power Ltd., Kolkata 01/36/218/41/AM-12/EPCG-I.	(i) 0230003059 Dt. 04.03.2008 (ii) 0230003383 Dt. 18.06.2006	Joint DGFT, Kolkata has sought clarification whether the items of import viz. HR Plates/Coils etc. can be considered as Capital Goods for the purpose of export product indicated. RA has also sought clarification whether Power can be deemed to be an exportable product.	The Committee observed that the items of import are not covered under the definition of Capital Goods and hence it was decided to give directions to the concerned RA to cancel the subject EPCG Authorization and recover duty with interest. As regards 'Power being an exportable product' it was decided to examine it separately on file
	M/s Mars International India Pvt. Ltd., Hyderabad 01/36/218/258/AM-11/EPCG-I	0530132796 Dt. 30.04.2002	Condonation of block-wise fulfilment of EO.	The Committee decided to allow the facility as per provisions of Para 5.8.3 of HBP (Vol. I) subject to payment of 2% composition fee of duty saved amount in proportion to the shortfall at the end of each block.
	M/s Nugen Machineries Ltd., Ahmadabad 18/143/AM-12/EPCG-II	2053372 Dt. 13.12.1996	Extension in export obligation period for three months w.e.f. 01.04.2004 for regularization of EPCG Authorization.	It was noted that the RA vide letter dated 29.06.2011 informed taht they had passed adjudication order against the firm and appeal is pending in Hqrs. In view of the fact that appeal is pending, it was decided not to take any action in the matter.
	M/s Oxford Processors (P) Ltd., Kolkata 18/121/AM-11/EPCG-II	0230000021 dated 23.03.2000	Condonation of block-wise export obligation for 3rd & 4th blocks.	The Committee decided to allow facility of the provisions of Para 5.8.3 of HBP (Vol. I) without composition fee as the firm is a BIFR company. RA will ensure that extension of EO period allowed earlier is also as per rehabilitation package approved by the BIFR. In case there is no rehabilitation

				case there is no rehabilitation package of the BIFR, custom duty of 50% for extension of EO period and 2% composition fee for condonation of each block period will need to be paid.
	M/s P. Subbaraj & Co. Chennai 18/103/AM-11/EPCG-I	0430000751 Dt. 16.09.2002	(i) Extension in Export Obligation Period for a period of Six Months. (ii) Condonation of year wise export obligation. (iii) Inclusion of alternate product. Viz. Crushed Bone item. Firm has enclosed copies of RCMC, CE Certificate, SSI Unit certificate.	The period of extension sought is merely of 6 months to count the exports made after the expiry of allowed Export Obligation Period and as such Committee allowed the same for regularisation purposes on payment of fee as per Para 5.11 of HBP. The Committee decided to condone block-wise fulfilment of EO as per the provisions of Para 5.8.3 of HBP (Vol. I) subject to payment of 2% composition fee of duty saved amount in proportion to the shortfall at the end of each block. The authorization holder can fulfil its export obligation by export of other products/ alternate products. The Committee allowed inclusion of alternate product from the date of initial application of the firm submitted to RA/ Hqrs subject to the condition that the firm would maintain annual export obligation in respect of alternate product so included.
	M/s Pooja Forge Ltd., Faridabad 18/151/AM-11/EPCG-II	0530136072 dated 19.04.2004	Condonation of block-wise export obligation for 2nd block.	The Committee decided to condone block-wise EO performance as per the provisions of Para 5.8.3 of HBP (Vol. I) subject to payment of 2% composition fee of duty saved amount in proportion to the shortfall at the end of each block.
	M/s Precision Equipments (Chennai) P. Ltd. 18/114/AM-11/EPCG-II	N. A.	Grant of EPCG authorization for import of Stahl Crane Systems, Electric Chain Hoists, Wheel, travel Drive and Releasing Device under EPCG Scheme.	The case was considered in EPCG Committee meeting dated 04.05.2011 and was deferred for details as to the usage of the Stahl Crane Systems etc. The Technical Authorities observed from the catalogue that these cranes are kept in stationary mode to be utilized for loading/uploading of heavy equipments in factory premises. Therefore, the Committee allowed import of Capital Goods as requested by the

				Capital Goods as requested by the firm.
	M/s Reliance Industries Limited., Mumbai 18/52/AM-12/EPCG-II		Relaxation from the condition of producing installation certificate from Central Excise authorities in installation after import of Spares of Single Point Mooring System (SPM).	It was noted that Para 3 of firm's representation dated 11.6.2011 has an apprehension that the concerned jurisdictional central excise authority would find it difficult to issue an installation certificate for spares proposed to be imported for the Single Point Mooring System at Jamnagar plant. The representative of DOR informed the Committee that the firm should approach concerned Excise/Customs authorities in whose jurisdiction installation of CG will be completed for attaining Central Excise Certificate. The Committee agreed to the views of DOR.
	M/s Rubco Huat Wood Pvt. Ltd, Kannur 18/64/AM-11/EPCG-II	1030000006 Dt. 13.04.2000	(i) Extension in export obligation period; (ii) Fulfilment of EO through export of product manufactured by group company; (iii) Condonation of block-wise EO; and, (iv) Re-fixation of EO on duty saved amount basis	The Committee noted that the extension in EOP is allowed under Para 5.11 of HBP.Vol.I subject to payment of 2%composition fee/50% custom duty and hence allowed the extension in EOP. As regards counting of group company exports, the Committee observed that the provision was introduced vide Public Notice 42 dated 28.01.2004 and thus the exports of group company may be allowed from 28.01.2004 onwards subject to fulfilling criterion of group company contained in Para 9.28 of FTP and also subject to maintenance of annual average export obligation in lieu of export product of group company. The Committee decided to condone the block-wise EO performance as per provisions of Para 5.8.3 of HBP (Vol. I) subject to payment of 2% composition fee of duty saved amount in proportion to the shortfall at the end of each block. Para 5.19 of HBP.Vol.I provides for re-fixation of export obligation on duty saved amount basis. Therefore, the committee allowed re-fixation subject to fulfilling

				stipulated conditions.
	M/s Ruchi Soya Industries Ltd., New Delhi 18/39/AM-12/EPCG-I	N.A.	Grant of EPCG authorization for import of 'Water Treatment System'.	Definition of Capital Goods in Para 9.12 includes equipments for quality and pollution control. The proposed Water Treatment System is for treatment of effluent water for making it reusable. The Committee, therefore, approved issuance of EPCG Authorisation for import of Water Treatment System.
	M/s Sameera Apparels, New Delhi 18/24/AM-12/EPCG-II	0530130759 dated 27.01.2000	Conversion of EPCG authorization from Zero duty to 10% duty EPCG Scheme.	The Commissioner of Customs, Chennai had already adjudicated the case demanding duty amount of Rs. 4, 97, 724 plus applicable interest. In view of this, the Committee rejected the request.
	M/s SAS Hotels and Enterprises Ltd., M/s APA Hotels Pvt. Ltd, Chennai 18/126/AM-11/EPCG-II	(i) 0430002512 Dt. 30.03.2005 (ii) 0430003252 Dt. 19.12.2005 (iii) 0430003245 Dt. 15.12.2005	Waiver of condition of registration of vehicle as Tourist vehicle for issuance of EODC.	The firm has completed the export obligation within the allowed Export Obligation Period. The transport department of State Government of Tamilnadu dated 31.10.2008 indicated that Ford Fusion Cars more than 2 years old cannot be registered as tourist vehicle. The case has however been deferred for want of detailed justification for relxing the provisions of the FTP/HBP.
	M/s Southern Petrochemical Industries Corporation Limited, Chennai 18/99/AM-11/EPCG-II	3230001154 Dt. 16.04.2002	Inclusion of alternate products namely aluminium fluoride.	The authorization holder can fulfil its export obligation by export of other products/ alternate products. The Committee, therefore, allowed inclusion of alternate product from the date of initial application of the firm submitted to RA subject to the condition that the firm would maintain annual export obligation in respect of alternate product so included.
	M/s Strategic Engineering (P) Ltd., Chennai 18/40/AM-12/EPCG-II	0430000995 dated 03.03.2003	Condonation of block-wise export obligation.	The Committee decided to condone the block-wise EO performance as per provisions of Para 5.8.3 of HBP (Vol. I) subject to payment of 2% composition fee of duty saved amount in proportion to the shortfall at the end of each block.
	M/s Suba Plastics Pvt. Ltd., Coimbatore 18/29/AM-12/EPCG-II	(i) 3230005849 Dt. 16.12.2005 (ii) 3230004789 Dt. 29.06.2005	counting of Supply made to other firms towards fulfilment of EO.	The firm intends to export Plastic Moulded components in the form of tooth-brush handle through third party M/s Gillette Diversified

		(iii) 3230011978 Dt, 27.05.2008		Operations Private Limited. As M/s Gillette Diversified Operations Private Limited is a manufacturer exporter, the supply made by M/s Suba Plastics Pvt. Ltd. can be established on the basis of ARE-1. Therefore, the Committee decided to allow the apportionment of value of goods supplied to the ultimate exporter subject to the condition that the ultimate exporter furnishes disclaimer for the said portion of foreign exchange earning that it would not count the portion towards fulfilment of export obligation against its own EPCG authorization. Shipping Bills will bear the EPCG licence No./date and name of applicant and will submit corroborative evidence of ARE-I.
	M/s Teksons Pvt. Ltd., Mumbai 18/150/AM-11/EPCG-II	0330002452 Dt. 19.08.2002 0330003145 Dt. 20.01.2003 0330007826 Dt. 07.02.2005	(i) Re-fixation of average EO on the basis of same & similar product; (ii) Re-fixation of EO on actual utilization basis; (iii) Extension in Export Obligation Period (iv) Clubbing of EPCG authorizations.	Shri K. S. Ramchandran, Executive Officer appeared before the Committee and made submissions that the average export obligation was fixed by taking into account the export of Copper/Brass radiators. Members after seeing the description and the catalogue of the Capital Goods imported were of the opinon that the said Capital Goods are used for production of only aluminium radiators. Therefore, the Committee allowed refixation of annual average export obligation on the basis of export performance of aluminium radiators only. Copper radiators and Aluminium radiators are different. The Committee also allowed extension in Export Obligation Period in licences dated 19.08.2002 and 20.01.2003 as per Para 5.11 of HBP with composition fee. However, the representative of the firm offered withdrawal of request for clubbing of Authorizations and the Committee allowed the same.
	M/s Thermolite Packaging (I). Ltd., Pune 18/145/AM-11/EPCG-II	31500031 dated 27.10.1998	(i) Extension in export obligation period upto 26.10.2007. (ii) Consideration of exports of Group	The firm has completed the export obligation upto 26.10.2007. Para 5.11 of HBP envisages extension of upto 4 years subject to payment of applicable composition fee/customs

		Company for fulfilment of export obligation.	duty. Therefore, the request of the firm for extension upto 26.10.2007 has been allowed under Para 5.11 of HBP. As regards counting of group company exports, the Committee observed that the provision was introduced vide Public Notice 42 dated 28.01.2004 and thus the exports of group company may be allowed from 28.01.2004 onwards subject to fulfilling criterion of group company contained in Para 9.28 of FTP and also subject to maintenance of annual average export obligation in lieu of export product of group company.
M/s Torrent Power Ltd., Ahmadabad 01/36/218/172/AM-11/EPCG-I	N. A.	Exemption from Para 5.3 of FTP for execution of double Bank Guarantee for service providers; submission of list of users at the time of filing application and criterion for designating a CSP.	Shri R. Chandrasekhar, Vice President (Materials) appeared before the Committee and made submissions in support of the requests. The Committee deliberated on each of the requests and observed as under:- <u>Execution of double Bank Guarantee:</u> - Bank Guarantee is insisted to safeguard the interest of Government in case of any default. There is no need for double bank guarantee as single Bank guarantee executed by CSP can take care of govt. interest. The Committee recommends to DG for execution of single bank guarantee as per eligibility under Para 2.20 of HBP. <u>Details of users</u>: The Committee observed that the CSP is allowed in Towns of Export Excellence as specified in Appendix 7 of HBP. The Committee recommends that the details of users may not be insisted at the time of issuance of EPCG authorizations to CSP. <u>Criterion for designating a CSP:</u> In the present case the Committee recommends to DG that the firm should be designated as Common Service Provider. The CSP shall

			give BG/LUT as per Para 2.20 of HBP, on its own behalf only, without giving names of users. *The Committee also recommends that in the new Policy, Para 5.3 of FTP should also be amended accordingly.* The above recommendation has been approved by D.G.
Note on maintenance of Annual Average EO.			A Note on suggestion on maintenance of Annual Average Export Obligation was circulated amongst the Members in earlier meeting on 4.5.2011. However, discussion on the same could not be held during this meeting due to paucity of time. The Chairman requested the Members to go through the Note so that a discussion on it may be held during the next meeting.
M/s Raymond Limited. 18/80/AM-12/EPCG-II	N. A.	Grant of EPCG authorization for Software required for up-gradation of Cutting Machine.	The software is an essential requirement to compete in the International textile market in this advanced era of technology. Each of the members was convinced that the plant of Raymond Limited cannot manufacture the quality exportable products without using the latest software. Representative of O/o Textile Commissioner informed that Modern Textile machinery has embedded software. The Committee observed that as the scheme allows import of spares both for the Capital Goods imported under the scheme or otherwise; also provides for technological upgradation for the already imported machinery. The Committee, therefore, allowed the import of software as the definition of Capital Goods in Para 9.12 includes 'modernization, technological upgradation or expansion for plants, machineries, equipments or accessories required for manufacture or production, either directly or indirectly of goods or for rendering services'.

				The Committee recommends that in the new Policy 'software' should be specifically included in the definition of Capital Goods.
	M/s Indian Immunologicals Limited., Hyderabad 01/36/218/83/AM-12/EPCG-I	0930005355 Dt. 04.12.2009	Waiver of maintenance of Annual Average Exports Obligation	The Committee decided to defer the case and call for the representative of the firm for Personal Hearing.
	M/s Minda Industries Limited, Gurgaon 01/36/218/93/AM-12/EPCG-I	0530134126 Dt. 07.05.2003 0530134249 Dt. 28.05.2003 0530135221 Dt. 14.11.2003 0530135594 Dt. 21.01.2004 0530135781 Dt. 27.02.2004	Relaxation under Para 2.5 of FTP for non-adherence to the provision contained in 5.3.2 of HBP.	The Committee took note of the views of the DOR that the Chartered Engineer Certificate cannot be accepted from excisable units and rejected the request of the firm.
	M/s Gopsons Papers Limited, New Delhi 01/36/218/77/AM-12/EPCG-I	0530145042 Dt. 23.11.2007	To condone the delay in installation of capital goods and also for procedural lapse in not including the name of supporting manufacturer on the EPCG Authorization.	The Committee observed that the authorisation holder could not install the Capital Goods due to ignorance of provisions for mentioning the name of supporting manufacturer in the application at the time of filing application for EPCG Authorisation. The RA would have mentioned address and name of supporting manufacturer had the firm indicated in the initial application. The Committee also noted that the firm has the said Capital Goods in its own possession and is inclined to install the same in the premises of its supporting manufacturer. The request of the firm has been acceded to with the condition that the Capital Goods would be installed immediately and the firm will submit the installation certificate within a period of 3 months under intimation to the concerned RA.

N. B. – The Committee was apprised of the views of DOR in regard to their reservations for granting benefits to the licence holder viz. condonation of blockwise performance as per Para 5.8.3, extension in export obligation period as per Para 5.11 including BIFR Units, clubbing of old EPCG Authorizations under current provision and refixation of export obligation on duty saved bases as per Para 5.19. The Committee was also apprised of the views of the DGFT that since these facilities are available under the current provisions of FTP/HBP, the DGFT would continue to extend these facilities under the current provisions as was approved in the meeting of EPCG Committee dated 19.06.2008.

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