MINUTES OF EPCG COMMITTEE HELD AT 11.00 AM ON 09.12.2010 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 Hardeep Singh, Jt. DGFT.
3. Shri S.S. Tak, Industrial Advisor, M/o Steel.
4. Shri Shaish Kumar, Industrial Advisor, DIPP.
5. Shri Pramod Kumar, Technical Officer, DOR
6. Shri Ishwar Singh, Dy. DGFT.
7. Shri Kamlesh Kumar, FTDO (EPCG-I).

2. Minutes of last Meeting dated 03.11. 2010 were confirmed.

3. The Committee deliberated upon the Agenda, case to case basis and took the following decisions:

S. N.	**Case No.**	**Firm's Name**	**EPCG No. & Date**	**Request of the firm**	**Decision of the EPCG Committee**
1.	1 of Agenda	M/s Mercury Car Rental Ltd., New Delhi	(i) 0530139387 Dt. 26.05.2005; and (ii) 0530139386 Dt. 26.08.2005	Issuance of NOC for conversion of commercial vehicles as Private Vehicles and permission for disposal of vehicles.	The Committee noted that the firm has already obtained EODCs and the lock-in period of five years has also elapsed. The Committee therefore allowed conversion of the vehicle as private vehicle and NOC for disposal of vehicles subject to the condition that there is no pending CBI/DRI case.
2.	2 of Agenda	M/s Virchow Bio Tech Pvt. Ltd., Hyderabad	(i) 0930000291 Dt.21.02.2002 and (ii) 0930000416 Dt. 05.11.2002	Condonation of block-wise fulfillment.	The Committee noted that the request of the firm is covered as per 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.
3.	3 of Agenda	M/s Dura-line India Pvt. Ltd.,	(i) 0530130938 Dt. 11.05.2000	Condonation of block-wise	The Committee noted that the request of the firm is

		New Delhi	(ii) 0530131240 Dt.31.08.2000 and (iii) 0530131418 Dt. 29.11.2000	fulfillment	covered as per 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.
4.	4 of Agenda	M/s Bhanu Apparel, Bangalore	(i) 0730000836 Dt.23.12.2002 and (ii) 0730000514 Dt. 05.02.2002	Condonation of block-wise fulfillment.	The Committee noted that the request of the firm is covered as per 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.
5.	5 of Agenda	M/s Indian Oil Corporation Ltd., New Delhi	N.A.	To issue clarification regarding fulfillment of EO under para 5.5 (i).	The Committee considered the case in light of the observations of Customs that " Naptha manufactured in Koyali Rfinery, Vadodara cannot be accepted as the unit has not been endorsed on the licence as supporting manufacturer. The Committee observed that the average export obligation imposed on the licences is on the basis of the entire company. Since the export of the unit has been taken into account for fixation of average EO, the export made by the unit is countable towards fulfillment of export obligation even if the same is not endorsed on the

					licence as supporting manufacture.
6.	6 of Agenda	M/s Omni Auto Limited, Jamshedpur	2098472 Dt. 12.05.1999	Extension of EOP for two years w.e.f. from 12.05.2007 to 11.05.2009 and condonation of block wise fulfillment against EPCG Lic. No.2098472 dated 12.05.1999.	The Committee considered the case as per Agenda. The Committee observed that the request of the firm may be considered for first/second extension in export obligation subject to furnishing of applicable composition fee / custom duty as per provisions of Para 5.11 of HBP Vol.I. The Committee further noted that the request of the firm for condonation of block-wise EO is covered in Para 5.8.3 and thus 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.

7.	7 of Agenda	M/s Hotel Leelaventure Limited	(i) 0330003254 Dt.13.02.2003 and (ii) 0330006832 Dt. 12.10.2004	Redemption of EPCG Licences without FIRC as documents where drowned in rain and flood.	The Committee allowed for issuance of EODC without production of FIRC subject to the condition that the firm would submit bank statement and its audited statement of accounts for the relevant period, as corroborative evidence in support of having earned free foreign exchange.
8.	8 of Agenda	M/s Reliance Industries Limited	N.A.	Relaxation form conditions of para 5.3.1 of Handbook of	The Committee considered the case as per Agenda. The representative of DOR

Meeting ended with thanks to all participants.

				procedure, Vol.I.	informed the Committee that the firm should approach concerned Excise/Customs authorities in whose jurisdiction installation of CG will be completed. The representative of DOR further stated that DOR would also recommend to the concerned authority for issuance of Installation certificate in case of any problem.
9.	9 of Agenda	M/s Bombay Dyeing & Mfg. Co. Ltd	As per Agenda	Deletion of annual average in respect of 23 EPCG Authorizations issued during the period 2.08.2006 to 27.05.2008 (As per R.A. Report) enclosed.	The Committee felt that we could probably do away with average export obligation in cases wherein units whose exports are taken for purpose of counting average export obligation has been closed in the time period. However, exports of that unit should also not be taken into consideration for fulfillment of EO even for intervening period. But there is no enabling provision in the FTP. Therefore a need was felt for considering such cases for waiver of average E.O. The Committee felt that some amnesty scheme should be introduced to deal with such genuine and justified cases to delete / reduce the quantum of annual export obligation on

					account of conversion of DTA Unit to EOU; closure of units due to unforeseen circumstances like fire, flood and other natural calamities beyond the control of the firm. The Committee desired that a detailed note on the subject may be submitted.
10.	10 of Agenda	M/s Ps Press Services Pvt. Ltd., Noida		Request for condonation of block-wise export obligation for 2nd & 3rd blocks.	The Committee noted that the request of the firm is covered as per 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.
11.	11 of Agenda	M/s Paprika Wear.		Consideration of exports of Group Company for fulfillment of export obligation.	The Committee considered the case as per agenda. The Committee noted that the request of the firm is covered under the provisions of Public Notice 42 dated 28.1.2004 and hence the request of the firm is acceded to, subject to the condition that the benefit of group company export should be allowed from the date of application of firm made to RA after 28.1.2004 and subject further to maintenance of annual average export obligation as per para 5.5

					of FTP in respect to the export products of the group company included for the purpose of fulfillment of licence. RA should also satisfy themselves about group company as per para 9.28 of FTP
12.	12 of Agenda	M/s Indian Exposition Mart Ltd., (IEML)	0530139428 Dt. 01.09.2005	Counting of Sale of Item of Mart towards of fulfillment of export obligation in addition to earning from services.	The case was deferred as the Committee felt that the premises of the Mart should be visited by the Committee members to ascertain what type of services are being provided.
13.	13 of Agenda	M/s Parekh Marine Agencies Pvt. Ltd., Mumbai		Permission for shifting of capital goods to a new place of installation.	The Committee considered the case as per agenda. The Committee allowed shifting of the capital goods subject to the conditions that names of both the units appear in RCMC & IEC and there is no action initiated / contemplated by Excise / Custom Authorities.
14.	14 of Agenda	M/s Himatsingka Wovens Private Limited	As per representation enclosed	Acceptance of exports made to SEZ Unit and EOU Units and clubbing of EPCG authorizations issued in 2006,2007 & 2008 under Policy Relaxation.	The Committee observed that the licences proposed for clubbing has been issued by the same RA; export product is same; same policy period. However, these have been issued in 2006, 2007 and 2008. Considering the export performance of the firm, the Committee decided to relax condition of 'same year'

					only and allowed clubbing of licences subject to complying with all other conditions of para 5.18 of HBP Vol.I
15.	15 of Agenda	M/s Jindal Saw Ltd	0530151654 Dt. 29.03.2010	Shifting of Capital Goods	The Committee considered the case as per agenda. The Committee allowed shifting of the capital goods subject to the conditions that the names of both the units are endorsed on RCMC & IEC and there is no action initiated / contemplated by Excise / Custom Authorities.
16.	16 of Agenda	M/s Padmini Technologies Ltd	(i) 01500427 Dt. 16.05.1996 (ii) 0530130442 Dt. 30.06.1999	(i) Permission of fulfillment of EO by export of other goods of licence holder and condonation of block-wise fulfillment. (ii) Extension of EOP , for two years w.e.f. from 30.06.2009 to 29.06.2011 under para 5.11 of HBP Vol.I, condonation of block-wise fulfillment against EPCG Lic. No.0530130442 dated 30.06.1999 &	The Committee considered the case as per agenda. However, the case was deferred for obtaining report from Regional Authority and detailed examination.

				inclusion of alternate products viz., Gems & Jewellery, Readymade Garments and software IT.	
17.	17 of Agenda	M/s Hotel Queen Road Pvt. Ltd, Delhi	As mentioned in agenda	Condonation of block-wise fulfillment against EPCG authorizations issued to M/s Hotel Queen Road Pvt. Limited.	The Committee noted that the request of the firm is covered as per 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. During discussions it was clarified that Committee's decisions are not applicable if the cases are adjudicated. In that case provisions of FT(DR) Act would apply.
18.	18 of Agenda	M/s Field Fresh Foods Pvt. Limited, Gurgaon.	Fresh EPCG Authorization to be issued	Issuance of EPCG Authorization for import of (i) Plastic Sheet for Agriculture Use; (ii) Thermal Screen and (iii) Net House.	The case was considered by the Committee as per Agenda and submissions of the representatives of the firm. The Committee observed that the Plastic Sheet, Thermal Screen and Nets are essentially required for protective cultivation of vegetables / fruits. It was therefore decided to issue instructions to the Zonal Jt. DGFT, CLA, New Delhi for issuance of EPCG Authorization for

					the export product viz, Vegetables and Fruits.