

Minutes of the Meeting of the EPCG Committee held on 26.11.2007 AT 3.00 P.M. under the Chairmanship of Dr.Shyam Agarwal, Additional Director General of Foreign Trade.

EPCG (Export Promotion of Capital Goods) Committee Meeting was held on 26-11-2007 . The following Officials participated.

S. No	Name and Designation
--------------	-----------------------------

- | | |
|----|--|
| 1. | Dr. Shyam Agarwal, Addl. DGFT, Chairman |
| 2. | Sh. G. Seetharam Reddy, Jt. DGFT, Member Secretary |
| 3. | Sh. Navneet Goel, Director, Deptt. of Revenue |
| 4. | Sh. P.V.K. Raja Sekhar, OSD, Deptt. of Revenue |
| 5. | Sh. Ishwar Singh, Dy. DGFT |
| 6. | Sh. Samir Sinha, FTDO (EPCG -I) |

2. EPCG Committee took following decisions after deliberations:-

- 2.1 Case No.1: **Amburam Knit Process, Tirpur**
 (EPCG License No. 2144518 dated 4.1.2000;
 Amount utilized Rs.22,56,000/- ;
 CIF Value:- Rs.1,69,84,000/-; E.O:- US\$34,74,000/-)

Department of Revenue (DoR) would workout financial implications on account of conversion of license from 0% to 10% duty scheme and place the case in ensuing meeting on 10-12-2007.

- 2.2 Case No. 2: **Lupin Laboratories Ltd., Mumbai**
 (EPCG License No.:0330002080 dt. 23.5.2002;
 CIF Value:- Rs.1,42,18,141/-;
 EO:- US\$ 15,05,840.00)

Nexus of change parts for specific vial size, necessary for vial washing machine and Aspestic Filling Sealing with Macofar W600/12 in-line washing machine was approved as per comments of department of chemicals and Petro Chemicals (DoC&PC) vide O.M. No.13012/1/2006-PI-II dated 24-4-2006 and Chartered Engineer's (CE's) Certificate.

- 2.3 Case No.3: **Premina Exports, Tirupur**
(EPCG License No.: -3230000023 dt. 17-2-2000;
CIF Value:- Rs.1,32,66,196.68/-;EO:-US\$ 4,33,950.00)

DoR would work out financial implications on account of conversion of license from 0% duty to 10% duty scheme and place the case in ensuing meeting on 10-12-2007.

- 2.4 Case No.4: **Sterlite Industries (India) Ltd., Mumbai**
{(EPCG License} (i) No. 0330003131 dt. 15-1-2003;
CIF Value: Rs.2,52,08,959.75; EO:-Rs.12,60,44,798.75;
(ii) No.: - 0330003423 dt. 25-3-2003;
CIF Value: Rs.5,40,77,024.97/-; EO: Rs.27,03,85,124.85;
(iii) No.: - 0330003490 dt.31-3-2003;
CIF Value:Rs.1,01,35,090.01/-;EO: Rs.5,06,75,450.05/-
(iv) No.: - 0330004027 dt.04-8-2003;
Duty Saved Amount: Rs.35,21,225/-;
EO:Rs.2,81,69,800/-)

Nexus of

- (i) Absorber Acid Cooler,
 - (ii) S. Area 1646 SQM,
 - (iii) Candle Filters,
 - (iv) Wet electrostatic Precipitators,
 - (v) Intermediate Tower Candle Fillers and
 - (vi) Standing Final Tower for Sulfuric Acid Plant
- for export of

'Copper Cathode & Rods and Slime anode' was approved keeping in view environmental safeguards as per comments of DoC&PC vide U.O. No. 14010/146/2005-Ch.II dated 6.8.2007. This would be subject to opinion from Ministry of Mines, within a specified time frame.

2.5 Case No.5: Colour Roof (India) Ltd. Mumbai
EPCG License No.: 030000711 dt. 20-11-2000;
CIF Value: Rs.3,07,28,488/-; EO: US\$ 35,73,080.00)

Restoration of original export product i.e.
 “(i)Aluminium Plain/Pre-coated Steel-HR/CR/SS/GP/Pre-coated Profilea /Corrugated/Trapezoidal Shapes, Sections and its Accessories, cold rolled formed section”
 was approved as per comments of Department of Industrial Policy and Promotion (DIPP) vide U.O. No.IPP/6/1/2007-TSW/62 dt 4th April, 2007.

2.6 Case No.6: Reliance Industries Ltd., Mumbai
(EPCG Lic. No.:0330012875 dt. 10-8-2006;
Duty Saved Amount: Rs.39,80,47,023/-;
EO: US\$ 6,74,65,597.11)

Re-export as applied by firm was not approved. DoR officials clarified that following alternate route is available to applicant.

- i) Balance quantity of catalyst can be taken out of EPCG authorization with payment of duty and other charges, as applicable.
- ii) Thereafter, such balance quantity of catalyst can be re-exported,
- iii) Re-exporter is entitled to claim 98% of such duty paid under draw back scheme.

Applicant is free to adopt the above modus-operandi, which is approved.

2.7 Case No.7: Bharat Hotels Ltd. Mumbai
(EPCG License No.:0330001544 dt. 27-11-2001;
CIF Value: Rs.47,49,703.68; EO: US\$ 5,03,039.99)

Committee noted that imported furniture does not appear to be kitchen furniture. Hence, request was rejected. Further-more there was no provision in relevant policy prevailing then when authorization was issued for allowing import of kitchen furniture.

- 2.8 Case No.8: **MTZ Polyfilms Ltd., Mumbai**
EPCG License No.:214425 dt. 4-7-1995;
Duty Saved Amount : Rs.33,51,40,506/-;
EO: US\$ 1,45,96,082.88)

Machines

- (i) Used Machinery Continuous Polymerization Line and
(ii) Used Machinery Continuous Polymerization Line
can be disposed off only after fulfillment of export obligation.

- 2.9 Case No.9: **Camlin Fine Chemicals Ltd. Mumbai**
(EPCG License No.:0330002994 dt. 24-12-2002;
CIF Value: Rs.47,70,098.40; EO: US\$ 505200.00)

Nexus of

- (i)Vapour Absorption Machine Model BW 210 SX,
(ii)BF210 SX for export of Tertiary Butyl Hydroquinone and
(iii)Butyalated Hydroxy Anisole
was approved as per comments of DoC&PC vide U.O.
No.14010/146/2005-Ch.II dt. 4-10-2007 .

- 2.10 Case No. 10: **Lakshanam Industries Product (P) Ltd.,**
Coimbatore
(EPCG License No.: 2154729 dt. 24-10-2007;
CIF Value: Rs.47,60,303.00; EO: US\$ 5,29,184.00)

Extension of Export Obligation Period for 12 years from the date of issue of license as per BIFR package was approved.

- 2.11 Case No.11: **Indian Oil corporation, New Delhi**
(Duty Saved Amount :Rs.124,40,17,755/-;
EO: Rs.746,41,06,530/-)

Issuance of EPCG License for Rs. 124,40,17,755/- by DGFT was recommended for approval by C&IM.

**2.12 Case No.12: Frigorifico Allana Limited, New Delhi
(EPCG License No.:0330005582 dt. 15-4-2004)**

Condonation of delay in installation and permission for installation of capital goods in premises of Group Company was approved subject to condition that export obligation (EO) is completed within stipulated time frame and goods shall not be transferred for a period of 5 years from date of installation from premises of Group Company.

**2.13 Case No.13: JVH Met Cut (P) Ltd., Chennai
(EPCG License No.:04500221 dt. 18-3-1997;
CIF Value: Rs.29,61,252/-; EO: US\$ 329028.00)**

E.O. period (EOP) was extended under para 5.11 of current HBP, Vol. I, that is, subject to payment of composition fee @ 2% on total duty saved for initial 2 years general extension and payment of 50% of duty payable in proportion to the unfulfilled export obligation for subsequent extension of 2 years and accordingly 1/8th proportionate to the unfulfilled export obligation for remaining 3 months.

**2.14 Case No.14: Madhya Pradesh Glychem Industries Ltd. Indore
(EPCG License No.:1130000060; dt. 5-3-2002;
CIF Value: Rs.27,33,603/-; EO: US\$ 2,83,275/-)**

Nexus of

(i) Filter Leaves for Filter Type MVDCD 1500/1650/60/17,
Filter Screen, 24x110 SS 1, 45399 (NSCD),

for export of

- (i) Soyabean meal
- (ii) Soyabean extraction
- (iii) Animal Feed
- (iv) Lecithin Liquid
- (v) Lecithin Powder
- (vi) 12 HAS
- (vii) Deodorizer distillate
- (viii) Soya Flour
- (ix) Soya Flakes (defatted and fullfated)

- (x) all types of edible oils
- (xi) Soya refined oil
- (xii) Soya crude oil
- (xiii) linseed oil
- (xiv) TVP
- (xv) Soya Badli
- (xvi) Granules and Chunk
- (xvii) SMP and
- (xviii) WMP

was approved as per Department of Food and Public Distribution O.M. No.4(3)/2007-Exp. dt. 12-2-2007 in consonance with decision of Grievance Committee (GC) in its meeting held on 19-9-2007. This is allowed because the unit has a filtration plant.

2.15 Case No.15: Majestic Auto Ltd., Ludhiana
(EPCG License(i) No. :2101923 dt. 13-5-1999;
CIF Value: Rs.4,72,33,750/-; EO: Rs.4445528.00and
ii) No. 2101900 dt. 12-2-1998;
CIF Value: Rs.2,89,59,000/-; EO: US\$ 2970154.00)

EOP was extended in respect of both the licenses for one and two years, respectively, subject to payment of penalty as per Para 5.11 of current HBP.

2.16 Case No. 16: Pinkcity Gem Technologies , Jaipur
(EPCG License(i) No. 1330000048 dt. 6-12-2000;
CIF Value: Rs. 1,93,200; E.O.: US\$ 21,000.00and
(ii) No. 1330000027 dt. 31-8-2000;
CIF Value: Rs.6,74,250/-; E.O. :US\$ 77,500.00)

Nexus of

- (i) 240 Ltrs Liquid Nitrogen Tank 22 PSI Pressure Relief Valve
- (ii) 1Keison Products with Gas inlet option
- (iii) with Cut and Polished Colour Gem Stones and Synthetic Stones

was approved as per comments of DIPP vide U.O. No.IPP/6/13/05-TSW/48 dated 14-9-2007.

2.17 Case No. 17: **Khatiawad Potteries, Rajkot**
(EPCG License No.: 2430000123 dt. 30-10-2003;
Duty Saved Amount: Rs.14,15,550/-;
EO: Rs.1,13,24,200/-)

Nexus of

- (i) Roller Klin Carfer L-32 MT
- (ii) Second Hand SACMI Press PH 650 with Ceramic Glazed Wall Tiles”

was approved as per comments of DIPP vide U.O. No. IPP/6/4.2007-TSW dated 12-10-2007.

2.18 Case No.18: **Reliable Wares Pvt. Ltd. Cochin**
(EPCG License No.: 2335228 dt 30-6-1999;
CIF Value: Rs.13,38,160/-; EO: US\$ 124480.00)

Latest status of E.O. fulfillment should be put up.

2.19 Case No.19: **Ballarpur Industries Ltd., Mumbai**
(EPCG License No.:01500186 dt. 12-1-1996;
CIF Value: Rs.1,32,66,196/-; EO: US\$ 32,09,66,611)

Authorization was issued with EOP of 8 years which was subsequently enhanced to 12 years on account of CIF (cost including Insurance and Freight) value being more than Rs.100 crores. DoR sought for some more time to enable them to consider the subject. Hence case was deferred with direction to place it before EPCG Committee to be held on 10th December, 2007.

3. Cases deferred would be placed in the next meeting scheduled for 10-12-2007.

Meeting ended with thanks to all participants.