MINUTES OF EPCG COMMITTEE MEETING HELD ON 10.12.2007 AT 3.00 P.M. UNDER CHAIRMANSHIP OF DR. SHYAM AGARWAL, ADDITIONAL DIRECTOR GENERAL OF FOREIGN TRADE

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EPCG Committee Meeting was held on 10.12.2007. The following officials participated:

S. No. Name and Designation

1. **Dr. Shyam Agarwal, Addl. DGFT, Chairman**
2. **Sh. G. Seetharam Reddy, Jt. DGFT, Member Secy.**
3. **Sh. Navneet Goel, Director, Deptt. of Revenue**
4. **Sh. Ishwar Singh, Dy. DGFT.**
5. **Sh. Sameer Sinha, FTDO (EPCG-I).**

2. EPCG Committee took following decisions after deliberations:-

2.1 Case No.1: Hindustan National Glass & Industries Ltd., Kolkatta .
(EPCG Licence No. 0230000255 dated 2.9.2002,
CIF value Rs. 4, 76, 56,945/- E .O in US$ 50, 64,500/-)

Nexus between imports items i.e (i) distributor &Forehearth system (ii) feeder Mechanisms(iii) control Equipment for the above(iv) Delivery Support System (v) Forehearth 22" partial (vi) essential spares for the above and export items i.e Glass bottles Tumblers, Jars and Vials was approved as per comments of Department of DIPP UO No. 6/3/2007 TSW dated 7/8-11-2007. However, as the licencee do not intend to import spares, they may be deleted.

2.2 Case No.2: Videocon International Ltd, Aurangabad.
(EPCG Licence No. 0330000229 dated 30.3.2000,
CIF value in Rs. 98,66,902/- E.O in US$ 9,17,851/-)

Nexus between import items i.e (i) Pillar Guiding Set inc (ii) Pillar (iii) Roller Guiding Elements (iv) Guiding Bushes etc, total 26 items and export items i.e Hermatic Stators/ Motors and Compressors was approved as per comments of Department of DIPP UO No. 6/135/2002 TSW dated 26/29-10-2007.

2.3 Case No. 3: Surindra Engineering Co. Ltd, Mumbai.
(EPCG Licence No. 03500993 dated 20.10.1998
CIF value in Rs. 15,16,26,334/- E.O in US$ 17,75,48,407/-)

Request of extension in EOP upto 31st March, 2008 was granted subject to payment of composition fee under para 5.11 of HBP-Vol.I. Further extension would be considered in the month of March, 2008 on receipt of details of export performance etc.

2.4 Case No.4 Strategic Engg.(P) Ltd, Chennai.
(EPCG Licence No. 0430000068 dated 22.3.2000,
CIF value in Rs.1,98,67,671/- E.O in US$ 27,27,826/-)

Extension in EOP upto 20th March, 2008 was granted subject to payment of composition fee under para 5.11 of HBP-Vol. I. for regularization purpose. A general circular, authorizing the RAs for considering the request of block-wise condonation also need to be issued.

2.5 Case No.5: Visoka Engirneeing Private Ltd., Chennai
(EPCG Licence No04500572 dated 16.8.1999,
CIF value in Rs. 1,23,326/- E.O in US$ 4,93,304/-)

The details as to the actual Cif value authorized by RA, cif value actually utilized by firm , extent of EO fulfilled with regard to actual utilization of cif value, product of export allowed and the product actually exported are required to be obtained and placed before the Committee for consideration of the request of firm for extension in EOP and condonation of block-wise fulfillment of EO.

2.6 Case No.6: Issue of Re-fixation of Export obligation upon conversion from CIF based to Duty Saved Amount basis.

Committee deliberated upon the issue of re-fixation of E.O.wherein it was decided that refixation would not be allowed in cases where condonation of block-wise EO has been allowed as the present provisions prescribe mandatory fulfillment of previous blockwise E.O. Committee also decided to examine where previous blockwise E.O. is not fulfilled, a harmonious view may be taken to keep previous blockwise E.O. as it is and only balance E.O. to be converted from CIF basis to duty saved basis. EPCG Section will put up a note in next meeting on this.

2.7 Case No.7: Rathna Leathers (P) Ltd., Vellore.
(EPCG Lic. NO.2131470 dated 14/12/1993,
CIF value in Rs. 22,45,350/- E.O in US$ 2,84,672/-)

Ex-post-facto approval for extension in EOP up to March, 09 was Granted in consonance with the decision of Grievance Redressal Committee (GRC) as contained in the minutes of meeting held on 4.7.2007.

2.8 Case No.8: Amburam Knit process, Tirupur.
(EPCG Lic. No.2144518 dated 4.1.2000,
CIF value in Rs. 1, 69, 84,000 E.O in US$ 34,74,000/-)

Conversion of 0% duty to 10% duty scheme was allowed subject to payment of 10% duty with applicable interest, in addition to any basic Duty/CVD, etc. paid at the time of clearance of imported goods and E.O. period as per 10% duty scheme.

2.9 Case No.9: Premina Exports, Tirupur
(EPCG Lic. No. 323000023 dtated 17.2.2000,
CIF value in Rs. Rs. 1,32,66,196/- E.O in US$ 4,33,950/-)

Conversion of 0% duty to 10% duty scheme was allowed subject to payment of 10% duty with applicable interest, in addition to any basic Duty/CVD, etc. paid at the time of clearance of imported goods and E.O. period as per 10% duty scheme.

2.10 Case No.10: Prag Bosimi Synthetics Ltd., Guwahati
(EPCG Lic. No. 2044881 dated 13.06.1999,
CIF value in Rs. 33,92,78,900/-E.O. in US$ 4,31,56,276/-)

Ex-post-facto approval for extension for one year from the date of endorsement was granted in consonance with the decision of Grievance Redressal Committee(GRC) as contained in the minutes of meeting held on 4.9.2006.

2.11 Case No. 11: Ballarpur Industries Ltd., New Delhi.
(EPCG Licence No. 01500186 dated 12.1.1996
CIF value in Rs. 1,32,66,196/- and E.O. in US$ 32,09,66,611/-)

The provisions contained in Para 5.11 of HBP VOL.I does not put any bar for extending EOP beyond 12 years in respect of licences of and above 100 crore. However, Representative of DOR objected for providing longer period of EOP in view of the provisions of Customs Notification No.111/95 dated 5.6.1995 which stipulates EOP in such cases not more than 12 years as this facility was extended for previous licences. The Committee asked EPCG Section to put up a note on the issue for reexamination.