

**MINUTES OF EPCG COMMITTEE MEETING HELD ON 10.3.2008
AT 11.00A.M UNDER CHAIRMANSHIP OF DR. SHYAM
AGARWAL, ADDITIONAL DIRECTOR GENERAL OF FOREIGN
TRADE**

.....

EPCG Committee Meeting was held on 10.3.2008. 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. S.K.Panigrahi, FTDO (EPCG-I).

2. EPCG Committee took following decisions after deliberations:-

2.1 Case No.1: Issue of EPCG License to Jindal Poly Films Ltd, New Delhi

DOR queried as to the certification of nexus. It was clarified that the provision for certification of nexus by EPCG Committee was dispensed from 8.11.2004 and cases now coming before the Committee for nexus approval pertained to the period prior to 8.11.04. At present, the licenses are issued based upon self declaration and nexus certificate from the Chartered Engineer. In the instant case, the issuance of License is approved on the basis of self-declaration and Chartered Engineer's Certificate. However, EPCG Committee will look into any matter pertaining to nexus in case any reference is received otherwise.

**2.2 Case No.2: Ballarpur Industries Ltd, Mumbai
(EPCG License No.01500186 dated 12.01.1996,
CIF value in Rs. 1,87,07,00,401/- E.O in US\$ 32,09,66,611/-)**

DOR opposed for granting extension in export obligation period beyond 12 years pointing out provisions contained in Custom Notification No. 111/95 dated 5.6.1995. Committee noted that the firm has fulfilled about 73% of export obligation within 12 years and that Custom Notification No. 97/2004 does not put any bar on extension in export obligation period in respect of licenses with CIF value of above Rs. 100 crores. Committee reiterated views contained in D.O. letter No. 6/68/2005-GRC/530 dated 9-5-2006 addressed to Member, Central board of Excise & Customs and D.O. Letter No. 06/165/2005/GRC dated 27-01-2007 addressed to Secretary, DOR conveying that "the matter relating to EPCG Scheme including extension in E.O. period exclusively falls within the administrative purview of DGFT". With this view in end, Committee approved

extension in E.O. period for 2 years beyond 12 years subject to payment of 2% composition fee.

2.3 Case No. 3: Wockhardt Ltd., Mumbai
(EPCG License No. 0330003752 dated 10-6-2003)
(CIF value Rs.17,51,572.40 E.O. US\$ 2,92,843.87)

Committee rejected the request of the firm for waiver of average export obligation observing that Bio-Pharmaceuticals and Pharmaceuticals are same and similar products.

2.4 Case No.4 Nirma Ltd. (formerly Core Health Care Ltd.
(EPCG Licence No. P/CG/1500241 dated 8-2-1996),
CIF value in Rs.32,23,53,420/-/- E.O in US\$ 5,53,07,993/-)

Committee rejected the request of the firm for waiver of average E.O. on the ground that the firm has to take all the assets and liabilities at the time of taking over the sick unit as per High Court Order dated 01-3-2007.

2.5 Case No.: 5 Mahaveer Safety Glass Co. Ltd. Chennai
(EPCG License No. 0410082855 Dated 14-7-2006)
Duty Saved Amount Rs.2,62,800 E.O in
US\$ 45,359.22/-)

Committee noted that the request for acceptance of Rupee payment for supply made to SEZ prior to 1-1-2008 is a broader issue and need to be referred to Policy Division..

Meeting ended with thanks to all participants.