

MINUTES OF EPCG COMMITTEE HELD AT 11.00 AM ON 20.01.2011 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 V.C. Aggrawal, IA, DHI
4. Shri Shaish Kumar, Industrial Advisor, DIPP.
5. Shri R.A Lal, Director, O/o Textile Commissioner
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 09.12. 2010 were confirmed.

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

No.	Firm's Name	EPCG Lic. No. and Date	Request of the firm	Decision of the EPCG Committee
	M/s JMT Auto Ltd., Kolkata	0230000528 Dt. 15.03.2004	Adjustment of excess export made against EPCG Licence No. 0230000528 dated 15.03.2004 for fulfillment of export obligation against other EPCG licenses issued subsequently.	The case was discussed as per Agenda . The Committee noted that the firm has made excess exports against licence No 0230000528 Dt. 15.03.2004 and intends to transfer the excess exports against the subsequent licences on the basis of the shipping bills having inscribed thereon the licence No. 0230000528 dated 15.3.2004. The Committee observed that this is a procedural lapse and allowed transfer of excess exports against subsequent licences issued during 2004-2007.
	M/s Apparel & Leather Technics Private Limited., Bangalore.	0730000335 Dt. 25.05.2001	Condonation of block-wise fulfillment against EPCG Licence No.0730000335 dated 25.05.2001.	The case was considered as per Agenda. 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.

	M/s Creative Polypack Limited.,	0230000269 Dt. 21.10.2002	Condonation of block-wise fulfillment and re-fixation of export obligation on the	The case was considered as per Agenda. The Committee noted that the request of the firm is covered
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Kolkata		basis of duty saved amount against EPCG authorization No.0230000269 dated 21.10.2002.	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. The Committee further noted that since the firm would regularize the block-wise EO by paying 2% composition fee in proportion to the shortfall at the end of each of the blocks and 2% for each year of extension upto 2 years. The Committee approved the request for re-fixation of EO on duty saved amount basis as per Para 5.19 of HBP Vol.I after the date of request/application.
M/s GL Hotels Limited., Mumbai	0112825 Dt. 28.07.1999	Extension in export obligation period for two years w.e.f. 29.07.2008 to 28.07.2010 and condonation of block-wise fulfillment against EPCG License No.0112825 dated 28.07.1999.	The case was discussed as per Agenda. The Committee noted that the requests for condonation of Block-wise EO and extension in EOP are covered under Para 5.8 and 5.11 of HBP Vol.I, respectively. Therefore, these requests have been acceded to subject to payment of 2% composition fee, separately for each of the requests. The representative of DOR advocated for rejection of request for re-fixation of EO due to non-fulfillment of block-wise EO. The Committee noted that since the firm would regularize the block-wise EO by paying 2% composition fee in proportion to the shortfall at the end of each of the blocks and 2% for each year of extension upto 2 years.
M/s Lotus Labs Pvt. Ltd., Bangalore	0730005598 Dt. 14.05.2007	Change in name in EPCG license No.0730005598 dated 14.05.2007 issued in the name of M/s Lotus Bio-analytical Services Pvt. Ltd to M/s Lotus Labs Private Limited.	The case was considered as per Agenda. The Committee approved change of name as per Court Orders.

M/s Frigerio Conserva Allana Ltd., Mumbai	0330005581 Dt. 15.04.2004	To condone the delay in installation the capital goods imported against EPCG	The case was considered as per Agenda. The Committee regularized delay in installation
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			License No.0330005581 dated 15.04.2004 and accountability of exports made prior to installation of Capital Goods.	of the capital goods imported against EPCG License No.0330005581 dated 15.04.2004. Firm is required to produce Installation Certificate from Central Excise certifying that goods installed were in new condition as the delay involved is insignificant.
	M/s Amul Industries Pvt. Ltd., Rajkot	2430000915 Dt. 16.04.2008	To condone the delay of 16 days in installation for capital goods imported against EPCG License No.2430000915 dated 16.04.2008	The case was considered as per Agenda. The Committee regularized delay in installation of capital goods of 16 days imported against EPCG License No.2430000915 dated 16.04.2008
	M/s Asian Granito India Ltd., Ahmadabad	0830000336 Dt. 18.06.2003	Condonation of block-wise fulfillment against EPCG License No.0830000336 dated 18.06.2003.	The case was considered as per Agenda. 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.
	M/s CRI TIPS Limited., Kolkata	0474364 Dt. 10.09.1999	Extension in Export Obligation Period upto 9.9.2006.	The case was considered as per Agenda. The Committee approved extension in EOP upto 9.9.2006 under the provisions of Para 5.11 of HBP.Vol.I subject to payment of composition fee of 2% for each year on payment of composition fee of 2% for each extended year.
1.	M/s Bhadra International India Limited		Issuance of EPCG authorization for Cobus-3000 & as per agenda.	The Committee considered the case as per Agenda. The Committee noted that the firm proposes to import Cobus 3000 (20 Nos), Trepel Electric Tractors Complete with a 620 Ah Battery (72 Nos) and Aircraft Two Tractor and Aircraft Tow Tractors (20 Nos) in various models. The representative of DOR invited reference to Para 5.2 of FTP read with Circular No. 48 dated 10.12.2008 under which

			dated 19.12.2008 under which import of such vehicles is not allowed. The Committee noted that the firm has been awarded the contract for modernization of Airports at par with the International standards by Airport Authority of India on the basis of International bidding. Committee also noted clearance dated 26.5.2010 from Bureau of Civil Aviation security; Airport Authority of India letter dated 5.1.2011 regarding award of licences for providing Comprehensive Ground Handling Services to Domestic & International Airlines at Kolkata, Chennai, Trivendrum, Calicut, Coimbatore, Mangalore and Trichy airports. The Committee had detailed discussions in light of the facts that the equipments are essentially required for providing ground handling services at Airports; the specifications of the vehicles are entirely different from the conventional vehicles and that these vehicles cannot ply on road and cannot be used for purposes other than those required for ground handling services within the premises of the Airport. The firm also gave statement certifying the difference in characteristics with specification of their Capital Goods vis a vis the conventional items. Having regard to these facts, the Committee recommended for relaxation of provisions of Para 5.2 of FTP and Circular No. 48 dated 19.12.2008 for allowing the import of the aforementioned goods under EPCG scheme.
.	Venkataramana Food Specialties Limited	(i) Extension in export obligation period. (ii) Inclusion of additional	The Committee considered the case as per Agenda. It was observed that inputs are required

			export product (i) read to eat snack food- Ring, samba chips senor pepito (tortilra) & (ii) Read to Fry pellets- Wheat/Soya/Potato/Corn/Rice based.	from Regional Authority regarding fulfillment of export obligation and ECA action if any. Therefore, it was decided to call for a report from RA and the case was deferred.
1.	Nexus Cases			The cases have been withdrawn in light of the Circular No. 12 dated 17.1.2011 according to which pending nexus cases may be disposed of on the basis of Chartered Engineer Certificate, if not rejected by the Committee earlier.

2.	M/s Strategic Engg. P. Ltd, Chennai	0430000068 Dt. 22.03.2000.	Deletion of the decision taken in EPCG Committee meeting held on 03.06.2010 regarding conversion from zero duty to 10% duty scheme in respect of EPCG authorization No.0430000068 dated. 22.03.2000.	The case was considered as per Agenda. The Committee observed that the firm's request was condonation of shortfall in the threshold limit of zero duty scheme and such requests have never been acceded to by the Committee. Therefore, the Committee desired that precedent if any may be traced and put up before the Committee.
3.	Pawan Kumar & Co.		Condonation of Block Wise EO Performance	The case was withdrawn since agenda was not sent to members in time.
4.	M/s IFB Industries Ltd, Kolkata		Extension in EOP and other benefits	It being a BIFR case was withdrawn for examination on file as per FTP/HBP.

4. With regard to observations of DOR contained in their letter No. 605/13/2010 dated 19.1.2011, it is submitted that the case Nos 1, 5, 6, 7 & 10 have been approved with due reference to the observations of DOR. The case Nos. 11 & 13 have not been approved as per the observations of DOR. The case Nos 2,3,4,8 & 9 have been approved as per the considered view of DGFT that the requests for condonation of block wise EO are allowed as per the provisions of Para 5.8.3 of HBP.Vol.I.. The case Nos. 12 regarding nexus approval has been withdrawn as the request now can be considered under Policy Circular No. 12 dated 17.1.2011. The Case Nos 14 & 15 could not be discussed and thus withdrawn.

The Meeting ended with thanks to the Chair.