

Directorate General of Foreign Trade
(EPCG-Division)

Subject: Minutes of the 5th Meeting of EPCG Committee of AM-07 held on 23.08.2006 at 3.00P.M.

The 5th meeting of the EPCG Committee for the licensing year 2006-07 was held on 23.08.06 at 3.00P.M. in Room No.108 under the chairmanship of Shri N.K.Gupta, Addl. DGFT to consider the cases under the EPCG Scheme of Foreign Trade Policy.

The following were present in the meeting:

1. Shri N.K.Gupta, Chairman
2. Shri Sanjay Rastogi, Export Commissioner
3. Shri V.C.Agarwal, Addl. Industrial Adviser, DIPP
4. Shri Anurag Bakhshi, STO, (Drawback)
5. Shri A.K.Agarwal, Dy. IA, C & PC
6. Shri Gajraj Singh, Sr. Development Officer, Deptt. of HI
7. Shri S.N. Singh, Development Officer, Ministry of Mines
8. Shri M.K.Parimoo, Jt. DGFT, Policy Division, O/o DGFT
9. Shri Ram Kumar, Dy. DGFT
10. Shri C.V.L.N.Prasad, Dy. DGFT
11. Shri Brajesh Sikka, FTDO, EPCG-I to EPCG- IV

The EPCG Committee discussed the individual cases of exporters under EPCG Scheme and the following decisions were taken:-

"Part-C-II"

C-II/01 M/s.Radhakrishna Foodland Pvt. Ltd., Mumbai
05/AM07 dated 23.08.2006 F. No.01/36/218/70/AM-06/EPCG-I

The Committee considered the agenda note and decided to defer the case and remind the firm for justification, Ministry of Food Processing Industry for comments. It was also decided to send the request to MPEDA for comments since the comments of Ministry of Food Processing Industry were not forthcoming.

C-II/02 M/s. Videocon International Ltd., Aurangabad
05/AM07 dated 23.08.2006 F. No.01/36/218/79/AM-06/EPCG-I

The Committee considered the agenda note and decided to reject the request for nexus approval against the EPCG licence No. 0330000229 dated 30.03.2000 since the imported components of capital goods were to be used by Authorization Holder only and not to be transferred to supporting manufacturer.

C-II/03 M/s.Bisaza India Ltd., Gujarat
05/AM07 dated 23.08.2006 F.No.23/0131/AM-03/EPCG-I

The Committee considered the agenda note and decided to certify nexus between capital goods imported and the export product(s) against EPCG licence No. 0830000188 dated 18.03.2002 for items at S.No. 1 and 3 of the details of the capital goods i.e. Mosaic Mould (20 x 20) MM and Mosaic Mould (10 x 10) MM only on the basis of comments of DIPP vide letter U.O. no. IPP/6/06/TSW/107 dated 18.08.2006. It was also decided to seek clarification from the firm whether the import of Rolls are for replacement of existing Rolls or fabrication of a new Glass Forming Machine. The request for import of spares for the existing machines was rejected since this was not permissible under EPCG scheme during 2001-02.

C-II/04 M/s.Madhya Pradesh Glychem Industries Ltd., Indore
05/AM07 dated 23.08.2006 F.No.23/222/AM-03/EPCG-I

The Committee considered the agenda note and decided to reject the request for nexus approval against EPCG licence No. 1130000060 dated 5.3.2002 since the import item is an integral part of the refinery and is not directly related to the machinery.

C-II/05 M/s. Parle Products Pvt. Ltd., Mumbai
05/AM07 dated 23.08.2006 F. No. 01/36/218/80/AM-06/EPCG-I

The Committee considered the agenda note and decided to reject the request for nexus approval against EPCG licence No. 0330003341 dated 3.3.2003 since the firm has not provided necessary information on specific use of each item of capital goods imported and justification and the import of oil burner is for baking oven and which is not in the list of capital goods to be imported.

C-II/06 M/s. Omni Auto Ltd., Jamshedpur
05/AM07 dated 23.08.2006 F.No.01/36/218/077/AM-03/EPCG-I

The Committee considered the agenda note and decided to certify nexus since the imported capital goods is capable of manufacturing items of export now sought to be included i.e. Machined Rings, Dee Cones and sMachine Auto Components, on the basis of observations of members of the Committee. It was also decided to allow the firm the endorsement of alternate products from the date of export and average export obligation to be maintained on the basis of past export performance.

C-II/07 M/s. Pyramid Plastics, Mumbai
05/AM07 dated 23.08.2006 F.No.23/227/AM-00/EPCG-I

The Committee considered the agenda note and decided to maintain status quo on conversion from 0% to 10% basic duty scheme against

EPCG licence No. P/CG/033000009/ dated 28.10.2000 subject to the condition that the licence holder has not availed modvat credit of the additional duty paid earlier. The firm shall be required to return the dues to custom authorities if claimed earlier.

C-II/08 M/s. Enercon (India) Ltd., Mumbai
05/AM07 dated 23.08.2006 F.No.01/36/218/0517/EPCG-I

The Committee considered the agenda note and decided to defer the case since the matter is subjudice and is to be settled between the custom authorities and the firm initially. The Committee also decided to reject the request for nexus approval between capital goods imported /to be imported and export products against EPCG licence No. 0330005423 dated 16.3.2004 for items at S.No. 7 and 8 of the list of the capital goods since these are in the nature of parts of housing structure and are not covered under the definition of capital goods as per the Foreign Trade Policy. The Committee decided to allow other Capital goods, as per comments of DIPP vide letter No.IPP/6/8/2006/TSW/113 dated 23.08.2006 provided they are not affected in the Court case.

EPCG.II SECTION

Meeting No. 05 Dt. 23.08.2006

Case No. 3. Name of the firm M/s Ford India Ltd

Licence No/ Date 2108667 dt 22.9.99

F.No.01/36/22/16/AM98/EPCG-II

The Committee considered the case as per agenda note and gives a patient hearing to the representatives of the firm. The Committee decided to defer the case and send copies of all the letters received from the Central Excise to Technical authorities for seeking the comments at their end within 10 days. if comments are not received with the 10 days, it will be presumed that there is no comment from their side. It was also decided to place the case again in the next EPCG Committee.

Directorate General of Foreign Trade
(EPCG-III Section)

MINUTES OF 05th MEETING OF EPCG COMMITTEE OF AM-2007 HELD ON 23.8.2006 at 3.30 PM

The 5th meeting of the EPCG Committee during the licensing year 2006-07 was held on 23.8.2006 under the chairmanship of Sh.N.K.Gupta, Addl.DGFT to consider the cases of Miscellaneous export products (Other than Engineering, Chemicals and Allied Products). The following were present in the meeting:-

1. Shri Sanjay Rastogi, Export Commissioner
2. Shri V.C.Agarwal, Addl. Industrial Advisor, DIPP

3. Shri Anurag Bakshi, STO (Drawback)
4. Shri A.K.Aggarwal, Dy.IA, C&PC
5. Shri Gajraj Singh, Sr.DO, Deptt. of Heavy Industry
6. Shri D.S.Yadav, Sr.DO, M/o Steel
7. Shri S.N.Singh, DO, M/o Mines
8. Shri M.K.Parimoo, Jt.DGFT
9. Shri Ram Kumar, Dy.DGFT
10. Shri CVLN Prasad, Dy.DGFT
11. Shri Brajesh Sikka, FTDO

The individual cases of the exporter under EPCG Scheme were discussed and the following decisions were taken:-

Case no.	Name of the firm	Licence number
C-II/1 to C-11/18 and C-II/21 Dt. 23.8.2006	M/s Sterlite Industries (India) Ltd, Mumbai F.No.20/672/94/EPCG-IV	As per list enclosed

These cases were considered as per agenda by the Committee at a time, because the 18 EPCG licences were issued in 2003 and one licence was issued in 2002 to M/s Sterlite Industries (India) Ltd, Mumbai. It was brought to the notice of the Committee that the EPCG Committee who met on 18.12.2003, decided to reject the nexus between the proposed item of import of Capital goods (C.G) and the export product on the basis of the following written comments of M/o Mines:-

“The item of import is required by M/s Sterlite Industries (India) Ltd, Mumbai for manufacture of Sulphuric acid in their acid plant and there is no nexus with the export product i.e Copper Cathode/Rod”

The firm had again represented on 17.6.2006 for reconsideration of these cases for their nexus approval with the export product. Thereafter, with the approval of the then Addl.DG(SS), it was decided to review these cases and seek the comments of technical authorities i.e Deptt. of C&PC and M/o Mines.

The representative of M/o Mines has stated that the above cases have been referred to them for reconsideration recently. They require minimum 7-10 days to examine them before their comments are sent to this office. After having detailed deliberations of each case of the firm, the Committee decided to refer the same and place them in the next meeting of the Committee. The Deptt. of C&PC may also be reminded to expedite their comments in the matter.