

MINUTES OF EPCG COMMITTEE HELD ON 29.03.2007

The meeting was held under the chairmanship of Dr. Shyam Agarwal, Additional DGFT. Others who participated include

- (i) Shri V.C. Aggarwal, Addl. IA, DIPP
- (ii) Shri Anurag Bakshi, STO (DBK), Department of Revenue
- (iii) Shri M.K. Parimoo, Jt. DGFT
- (iv) Shri C.V.L.N. Prasad, Dy. DGFT

Following general decisions were taken

1. Starting from May, 2007, EPCG meeting should be convened on the first Monday of the month. To that extent, ex-post-facto approval needs should not arise.
2. Agenda Note should indicate
 - i) Past export performance of same and similar products for which the equipment is sought to be imported.
 - ii) Details of past licences obtained under EPCG and particulars of EO imposed, Balance EO period, EO fulfilled and EO outstanding in respect of each of these licences.
3. Cases once rejected should not come up before the Committee unless specific directions to this effect are given by Chairman of the Committee, D.G, GRC, G.C. or PRC or any other competent authority.
4. Technical inputs should be sought from all concerned Technical Authorities in case export product relates to different Technical Authorities.
(like regarding Tube in case of Tata Steel from DIPP)

Decision taken in individual cases, listed on the agenda is detailed below.

1. Following cases were accorded ex-post-facto approval subject to the condition indicated against each :

Case No.	Name of party & F.No.	Request in brief	Remarks
1	M/s Tata Steel Ltd, Kolkata 01/36/218/33/AM07/EPCG-I	Grant of EPCG licence	(i) Applicant should furnish details of the equipment to be assembled with the use of components permitted to be imported.

			(ii) Use of this equipment for manufacture of tubes should be clarified. (iii) Utility of equipment for manufacture of each end product proposed to be exported should be clarified by the applicant.
10	M/s Sky Appliances Ltd, Mumbai 18/106/AM07/EPCG-II	To grant EPCG licence for import of CG for duty saved amount of Rs.56.11 crores	As per comments of DIT.

2. Following cases were rejected as per reasons indicated against each:

Case No.	Name of party & F.No.	Request in brief	Remarks
2	M/s Madhya Pradesh Glychem Industries Ltd, Indore 23/222/AM03/EPCG-I	Request for consideration for nexus approval against EPCG licence No.1130000060 dated 5.3.2002 issued by RLA, Bhopal	Case already rejected as spares on standalone basis were not permitted during the period the licence was issued. No new ground for the Committee to reconsider the earlier decision.
8	M/s Devi Ahilya Falbaug Prakriya Sahakari Santha 18/56/AM07/EPCG-II	To grant fresh EPCG licence for import of "Used Tractor with Rotary" for duty saved amount of Rs.4.14 lakhs	Import of used Tractors is restricted for import.
13	M/s Bisaza India Ltd, Kalolm North Gujrat 23/131/AM03/EPCG-I	Request for reconsideration of nexus approval against EPCG licence	Case already rejected as spares on standalone basis were not permitted during the period the

		No.0830000188 dated 18.3.2002 on import of Rolls.	licence was issued. No new ground for the Committee to reconsider the earlier decision.
--	--	---	--

3. Decision in respect of following cases was deferred :

Case No.	Name of party & F.No.	Request in brief	Remarks
3	M/s Margra Industries Ltd, New Delhi 01/36/218/110/AM06/ EPCG-I	Deletion of the condition of the average EO against EPCG licence No.2117551 dated 17.11.1995 issued by CLA, New Delhi	(i) Status of case pending before High Court be ascertained from RA (ii) Related file be called for from Regional Authority and details provided by the applicant in the original application vis-à-vis Average EO imposed be examined.
4	M/s Sanghi Industries Ltd, New Delhi 20/963/AM96/EPCG-I	Issue of partial EODC under Para 5.9.1 of HBP against EPCG licence No.P/CG/ 2156099 dated 19.2.1996	Following details be verified (i) Whether blockwise EO has been fulfilled. (ii) Quantum of EO fulfilled till date (iii) Quantum of EO that remains outstanding (iv) Total validity of EO period during which balance EO is to be fulfilled.

4. Following cases were withdrawn :

Case No.	Name of party & F.No.	Request in brief	Remarks
5	M/s Sumi Motherson Innovative Engineering Ltd, New Delhi	Request for nexus approval between CG imported and the	Nexus already approved by EPCG Committee.

	18/422/AM04/EPCG-II	export product against EPCG Licence No.0530134762 dated 29.08.2003	
--	---------------------	--	--

5. Following cases were approved, subject to remarks :

Case No.	Name of party & F.No.	Request in brief	Remarks
6	M/s Art Chaton Pvt Ltd, Mumbai 18/68/AM06/EPCG-II	Request for nexus approval between CG imported and the export product against EPCG Licence No.0330004402 dated 26.06.2003 issued by RLA, Mumbai	As per comments of DIPP, nexus have been agreed to. Hence approved.
7	M/s Jindal Steel & Power Ltd, Angul, Orissa 18/63/AM07/EPCG-II	To grant fresh EPCG licence for import of CG for duty saved amount of Rs.114.05 Crores	(i) As per comments of Ministry of Steel. (ii) Details of past export of steel plates and similar products to be obtained from applicant. (iii) Average to be calculated based upon exports at (ii) above.
9	M/s Anburam Knit Process, Tirupur 18/23/AM07/EPCG-II	Conversion of zero duty EPCG licence to 10% EPCG scheme	(i) Department of Revenue has opposed the proposal on the grounds that assessment at this stage is not possible. (ii) Other members were of the view that so long

			as applicant pays 10% customs duty + interest over and above CVD/SAD already paid, the conversion from zero duty regime to 10% duty regime should be allowed. (iii) Since there is no explicit provision for this conversion case recommended for consideration by PRC.
11	M/s Stallion Garments, Tirupur 18/42/AM07/EPCG-II	Condonation of blockwise EO fulfillment	Blockwise EO not maintained but total EO fulfilled in the last block within original EO period.
12	M/s Sleek Fashions, Tirupur 18/65/AM07/EPCG-II	Request of condonation for fulfillment of export obligation on pro-rata basis	Blockwise EO not maintained but total EO fulfilled in the last block within original EO period.

The meeting ended with vote of thanks to the Chair.
