MINUTES OF EPCG COMMITTEE MEETING HELD UNDER THE CHAIRMANSHIP OF SHRI MUKESH BHATNAGAR , ADGFT AT 1430 Hours ON 05.12.2012

Following officers attended the meeting:

(i) Shri Jaikant Singh, Joint Director General, DGFT
(ii) Shri R. A. Lal, Director, O/o Textile Commissioner, Noida
(iii) Shri K. K. Sinha, Industrial Adviser, D/o Industrial Policy and Promotion
(iv) Shri A. K. Pandey, Sr. Technical Officer, D/o Revenue
(v) Shri Gajraj Singh, Sr. D.O., D/o Heavy Industry
(vi) Smt. Rita Mahana, Deputy Director General, DGFT
(vii) Shri A. K. Gopal, Foreign Trade Development Officer (EPCG.I), DGFT
(viii) Shri S. K. Swarnkar, Foreign Trade Development Officer (EPCG.II), DGFT

2. Minutes of the last Meeting held on 05.11.2012 were confirmed.

3. The Committee deliberated upon all the cases and following decisions were taken:

Sl No.	Firm's Name and File Number	Licence No(s). / Date	Subject	Decision of the Committee
1.	M/s Container Corporation of India Ltd. (CONCOR) 01/36/218/132/AM-13/EPCG-I	0530154581 dated 20.01.2011	Endorsement of particulars of M/s Container Corporation of India Ltd. on EPCG Authorization No. 0530154581 dated 20.01.2011 issued to M/s Conyk Cartac Pvt. Ltd. on take over.	The Committee observed that a. CONCOR is a Government of India Undertaking; b. M/s Conyk Cartrac Pvt. Ltd., which is a Joint Venture of CONCOR and had obtained the EPCG Authorization, is under voluntary liquidation/closure; c. as per Board Resolution 24.07.2012 and MOU dated 24.08.2012, all the assets including the Capital Goods imported against the subject EPCG authorization and liabilities including Export Obligation are proposed to be taken over by CONCOR; d. CONCOR has undertaken that the liability to execute EO against the EPCG Authorization shall now be their statutory responsibility. The Committee, therefore, decided to allow for endorsement of post takeover particulars of CONCOR (Container Corporation of India Ltd.) on the EPCG Authorization for enabling them to fulfill the EO imposed against the EPCG authorization.

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Sl No.	Firm's Name and File Number	Licence No(s). / Date	Subject	Decision of the Committee
2.	M/s JNS Instruments Ltd. 01/36/218/144/AM-13/EPCG-I	0530134972 dated 01.10.2003 0530135859 dated 09.03.2004	Condonation from shortfall in block-wise EO and Extension in EOP in respect of EPCG Authorisation Nos. 0530134972 dated 01.10.2003 and 0530135859 dated 09.03.2004.	The Committee decided to **recommend to DG for relaxation under Para 2.5 of FTP** to allow condonation from condition of fulfilment of block-wise EO subject to payment of composition fee of 2% on duty saved amount in proportion to the shortfall at the end of each block in terms of the provisions of Para 5.8.3 of HBP v1. The Committee decided to **recommend to DG for relaxation under Para 2.5 of FTP** to allow Extension in EOP for 2 years on payment of composition fee equal to 2% of proportionate duty saved amount on unfulfilled EO or an enhancement in EO imposed to the extent of 10% of total EO at the choice of exporter, for each year of extension sought in terms of provisions contained in Para 5.11 of HBP Vol. I. **DG has approved the case.**
3.	M/s Bharat Silks 01/36/218/122/AM-12/EPCG-I	0730009874 dated 25.02.2011 0730009969 dated 24.03.2011	Transfer/selling of machines imported against License Nos. 0730009874 dated 25.02.2011 and 0730009969 dated 24.03.2011 to the sister concern namely M/s Bharat Tissues Private Limited	The Committee observed that as per Para 5.4 of FTP import of Capital Goods shall be subject to Actual User Condition till export obligation is completed and, therefore, decided to **reject** the request of the firm for transfer/sale of the machines to their sister concern.
4.	M/s Krishna Filament Ltd., Mumbai 01/36/218/223/AM-12/EPCG-I	P/CG/2134335 dated 08.06.1995	Regularization of EPCG Licence No. P/CG/2134335 dated 08.06.1995.	The Committee deliberated on the case in detail and decided to **defer** the case with the direction to Regional Authority to request Central Excise to inspect and furnish a report whether the Capital Goods imported against the subject EPCG Authorization are installed and are still in their possession.
5.	M/s Jindal Vijaynagar Steel Ltd.(JVSL), Bangalore 01/36/218/79/AM-13/EPCG-I	P/CG/2156090 dated 14.11.1995	Enhancement of Licence Value and refixation of EO of EPCG Authorization No. P/CG/2156090 dated 14.11.1995.	The case needs to be re-examined.

Sl No.	Firm's Name and File Number	Licence No(s). / Date	Subject	Decision of the Committee
6.	M/s Cheema Print Pac Ltd., Mohali 01/36/218/60/AM-13/EPCG-I	2230000090 dated 28.04.2004	Extension in EOP, waiver of block-wise and inclusion of alternate product viz. Printed Corrugated Cartons, Printed Material and Printed Stationery and allowing EO to be fulfilled by third party exports of yarn packed in Printed Corrugated Cartons their sister concern M/s Cheema Spintex Ltd. – EPCG Authorisation No. 2230000090 dated 28.04.2004	The Committee decided to **recommend to DG for relaxation under Para 2.5 of FTP** to allow Extension in EOP for 2 years on payment of composition fee equal to 2% of proportionate duty saved amount on unfulfilled EO or an enhancement in EO imposed to the extent of 10% of total EO at the choice of exporter, for each year of extension sought in terms of provisions contained in Para 5.11 of HBP Vol. I. **DG has approved the request.** The Committee decided to **recommend to DG for relaxation under Para 2.5 of FTP** to allow condonation from condition of fulfilment of block-wise EO subject to payment of composition fee of 2% on duty saved amount in proportion to the shortfall at the end of each block in terms of the provisions of Para 5.8.3 of HBP v1. **DG has approved the request.** The Committee also decided to allow inclusion of alternate product with the rider that the firm will maintain the average EO for alternate products as well. The Committee, however, decided to reject the request of the firm for allowing EO fulfillment by the export proceeds of their sister concern M/s Cheema Spintex Ltd.
7.	M/s Sterlite Technologies Ltd., Mumbai. 18/122/AM-13/EPCG-II	List enclosed	Conversion of 29 EPCG Authorisation from zero duty to 3% duty scheme.	The Committee decided to **defer** the case with the direction to call for comments from Department of Revenue in the matter.
8.	M/s Uppal Hospitality Pvt. Ltd., New Delhi 18/128/AM-13/EPCG-II	0530146947 dated 21.08.2008, 0530146313 dated 05.06.2008, 0530146489 dated 24.06.2008 & 0530147238 dated 18.09.2008	Extension in time period for a period of 6 months for submission of installation certificate.	The Committee decided to **recommend to DG for relaxation under Para 2.5** for extension in time period for 6 months w.e.f. 19.10.2012 for submission of installation certificate. **DG has approved the case.**

Sl No.	Firm's Name and File Number	Licence No(s). / Date	Subject	Decision of the Committee
9.	M/s Panex Overseas, New Delhi 18/129/AM-13/EPCG-II	0530133548 dated 20.11.2002	Condonation of block-wise EO and extension in EOP.	The Committee decided to **recommend to DG for relaxation under Para 2.5 of FTP** to allow condonation from condition of fulfilment of block-wise EO subject to payment of composition fee of 2% on duty saved amount in proportion to the shortfall at the end of each block in terms of the provisions of Para 5.8.3 of HBP v1. The Committee decided to **recommend to DG for relaxation under Para 2.5 of FTP** to allow Extension in EOP for 2 years on payment of composition fee equal to 2% of proportionate duty saved amount on unfulfilled EO or an enhancement in EO imposed to the extent of 10% of total EO at the choice of exporter, for each year of extension sought in terms of provisions contained in Para 5.11 of HBP Vol. I. **DG has approved the case.**
10.	M/s Siemens Ltd., Mumbai 18/130/AM-13/EPCG-II	0330030117 dated 26.07.2011	Conversion of EPCG authorisation from zero duty to 3% duty scheme.	The Committee decided to **defer** the case with the direction to call for comments from Department of Revenue in the matter.
11.	M/s Enchante Jewellery Limited, Gurgaon, Haryana 01/36/218/211/AM-11/EPCG-I	P/CG 2134008 dated 02.03.1995	Extension in EOP upto March, 2006 – WP(C) No. 7803/2002 – WP No. 467/2012 – Subjudice matter –-Vide their letter dated 02.11.2012, the firm have also requested for refixation of EO on duty saved amount basis.	The case needs to be re-examined.
12.	M/s Ajanta Pharma Limited 01/36/218/149/AM-13/EPCG-I	0330023561 dated 07.08.2009	Import of elevator under EPCG Scheme for R&D units – Certification of nexus – reg.	The Committee observed that the Capital Goods viz. Elevators imported against the EPCG Authorization have no linkage with the export product viz. Pharmaceutical formulations and, therefore, decided to **reject** the case.

Sl No.	Firm's Name and File Number	Licence No(s). / Date	Subject	Decision of the Committee
13.	M/s Bhopal DhuleTransmission Co. Ltd. M/s Jabalpur Transmission Co. Ltd.	Applied For	Issue of EPCG Authorisation under EPCT Scheme for export of (a) Power Transmission and Distribution of Electricity Service and (b) Telecom and Broadband Services – Reference received from O/o Zonal JDGFT, Mumbai.	Party appeared in Personal Hearing (PH). The Committee decided to **defer** the case with the direction to call for the following information from the firm: a. How the services proposed to be provided by the firm is covered under Para 9.53 of FTP? b. How electricity will be transmitted, energy will be supplied alongwith legal provisions of Electricity Act? c. Whether there are separate contracts with the agency to whom transmission services are supplied and whether a copy of the contract can be provided? d. How the metering of transmission services is done for getting the foreign exchange directly from the beneficiary? e. Whether an agreement has been done with National Grid Corporation for supply of electricity transmission services from point to point?
14.	M/s SPK Wire Products (P) Ltd.,Sirmour 18/120/AM-13/EPCG-II	2230001219 dated 28.10.2009	Transfer of EPCG Authorisation No. 2230001219 dated 28.10.2009 to M/s International Wirenetting Industries, Thane,	The Committee observed that the Company has entered into an agreement to sell the Capital Goods to M/s International Wirenetting Industries without completion of export obligation and, therefore, decided to **reject** the request as according to Para 5.4 of FTP import of Capital Goods shall be subject to Actual User Condition till export obligation is completed.
15.	M/s Tata Motors, Mumbai 18/139/AM-13/EPCG-II	0330018575 dated 27.12.2007	Export of capital goods imported under EPCG Scheme for repairs and import thereof.	The Committee decided to **recommend to DG under Para 2.5 of FTP for relaxation of provision of Para 5.16 of HBP v1** to allow the re-export of the capital goods subject to furnishing of an undertaking that the firm would re-import the same capital goods after repairs subject to the condition that the firm shall pay customs duty at the time of re-import on repair charges if paid by them. **DG has approved the case.**

Sl No.	Firm's Name and File Number	Licence No(s). / Date	Subject	Decision of the Committee
16.	M/s Samsung India Electronics Pvt. Ltd., Noida 18/144/AM-13/EPCG-II	0530139100 dated 13.07.2005	(i) Allow fulfillment of 100% EO of EPCG authorization No. 0530139100 dated 13.07.2005 by export of other product namely 'Colour Television'; (ii) Acceptance of excess exports already made against EPCG authorizations No. 0530137634 dated 17.12.2004; No. 0530137883 dated 18.01.2005 & No. 0530137848 dated 13.01.2005 for fulfillment of EO of EPCG authorization No. 0530139100 dated 13.07.2005	(i) The Committee observed that the subject licence was issued during the period when there was a provision to fulfill the 100% export obligation by export of other products manufactured by same company and, therefore, decided **to recommend to DG for relaxation under Para 2.5** for granting the benefit from the date of issuance of licence subject to the condition that the firm will also maintain the average EO of the alternate product. (ii) The Committee also **decided to recommend to DG for relaxation under Para 2.5 of FTP** to allow the firm to count excess exports of other products namely 'Colour Television' made against EPCG authorizations Nos. 0530137634 dated 17.12.2004, No. 0530137883 dated 18.01.2005 and No. 0530137848 dated 13.01.2005 for fulfillment of EO against EPCG Authorization No. 0530139100 dated 13.07.2005. **DG has approved the case.**
17.	M/s Supreme Computer Embroidery, Chennai. 18/135/AM-13/EPCG-II	0430000846 dated 02.12.2002	Condonation of block-wise EO for 2nd and 3rd blocks of EPCG authorization No. 0430000846 dated 02.12.2002	The Committee decided to **recommend to DG for relaxation under Para 2.5 of FTP** to allow condonation from condition of fulfilment of block-wise EO subject to payment of composition fee of 2% on duty saved amount in proportion to the shortfall at the end of each block in terms of the provisions of Para 5.8.3 of HBP v1. **DG has approved the case.**

Sl No.	Firm's Name and File Number	Licence No(s). / Date	Subject	Decision of the Committee
18.	M/s RAF Stationary Mfg. Co. Noida 18/102/AM-13/EPCG-II	0530132366 dated 03.12.2001	Extension in export obligation period upto 02.06.2014 and inclusion of other products viz 'Thermal Film Cartridges with paper for 108 Pictures' against EPCG authorization No. 0530132366 dated 03.12.2001	The Committee decided to **recommend to DG for relaxation under Para 2.5 of FTP** to allow Extension in EOP for 4 years on payment of requisite composition fee/customs duty in terms of provisions contained in Para 5.11 of HBP Vol. I. In so far as the request regarding inclusion of alternate product is concern, the Committee decided **to recommend to DG for relaxation under Para 2.5 of FTP** to allow the same from the date of application made in this regard subject to the refixation of average of alternate product. The Committee observed that though the firm have not requested for condonation from shortfall in block-wise EO, CLA has in its Report mentioned about payment of composition fee made by the firm towards condonation and, therefore, also decided to **recommend to DG for relaxation under Para 2.5 of FTP** to allow condonation from condition of fulfilment of block-wise EO subject to payment of composition fee of 2% on duty saved amount in proportion to the shortfall at the end of each block in terms of the provisions of Para 5.8.3 of HBP v1. **DG has approved the case.**
19.	M/s Shekhawati Poly-Yarn Ltd, Mumbai 18/123/AM-13/EPCG-II	0330011354 dated 17.03.2006 0330010666 dated 29.12.2005	Counting of excess exports made against EPCG authorisation No. 0330016846 dated 20.07.2007 for fulfillment of EO of EPCG Authorisation No. 0330011354 dated 17.03.2006 & No. 0330010666 dated 29.12.2005	The Committee decided to **defer** the case with the direction to call for comments of the Director, O/o Textile Commissioner, Noida.
20.	M/s Wenzel South Asia (P) Ltd., Faridabad 18/94/AM-13/EPCGT-I		Issuance of EPCG Authorisation for import of capital goods for providing Commission Agent Services.	The Committee decided to **defer** the case with the direction to call for comments of Department of Industrial Policy and Promotion.

Sl No.	Firm's Name and File Number	Licence No(s). / Date	Subject	Decision of the Committee
21.	M/s Shree Jaya Jyothi & Co. Ltd., Rajapalayam 18/140/AM-13/EPCG-II	3530000156 dated 20.12.2001 3530000157 dated 20.12.2001 3530000468 dated 27.11.2003 3530000589 dated 09.07.2004	Condonation of block-wise EO, extension in EOP, inclusion of alternate product and permission for third party export against EPCG Authorizations	The Committee decided to **recommend to DG for relaxation under Para 2.5 of FTP** to allow condonation from condition of fulfilment of block-wise EO subject to payment of composition fee of 2% on duty saved amount in proportion to the shortfall at the end of each block in terms of the provisions of Para 5.8.3 of HBP v1. **DG has approved the request.** The Committee decided to **recommend to DG for relaxation under Para 2.5 of FTP** to allow Extension in EOP for 2 years on payment of composition fee equal to 2% of proportionate duty saved amount on unfulfilled EO or an enhancement in EO imposed to the extent of 10% of total EO at the choice of exporter, for each year of extension sought in terms of provisions contained in Para 5.11 of HBP Vol. I. **DG has approved the request.** As regards, requests regarding inclusion of alternate product and fulfilment of EO through third party exports, the firm may approach the concerned Regional Authority who will consider the case as per relevant Policy.

Sl No.	Firm's Name and File Number	Licence No(s). / Date	Subject	Decision of the Committee
22.	M/s Rojee-Tasha Stampings Pvt. Ltd. 18/143/AM-13/EPCG-II	3130000919 dated 19.11.2004 3130001824 dated 10.07.2006 3130001582 dated 21.02.2006 3130001724 dated 28.04.2006	Condonation of block-wise EO, extension in EOP	The Committee decided to **recommend to DG for relaxation under Para 2.5 of FTP** to allow condonation from condition of fulfilment of block-wise EO subject to payment of composition fee of 2% on duty saved amount in proportion to the shortfall at the end of each block in terms of the provisions of Para 5.8.3 of HBP v1. The Committee decided to **recommend to DG for relaxation under Para 2.5 of FTP** to allow Extension in EOP for 2 years on payment of composition fee equal to 2% of proportionate duty saved amount on unfulfilled EO or an enhancement in EO imposed to the extent of 10% of total EO at the choice of exporter, for each year of extension sought in terms of provisions contained in Para 5.11 of HBP Vol. I. **DG has approved the case.**

Sl No.	Firm's Name and File Number	Licence No(s). / Date	Subject	Decision of the Committee
23.	M/s Kerala State Rubber Co-operative Limited(KSRCL), Kerala 01/36/218/49/AM-13/EPCG-I	1030000045 dated 16.10.2000 1030000047 dated 08.11.2000 1030000038 dated 08.09.2000 1030000068 dated 14.02.2001 1030000104 dated 12.07.2001	Counting of exports of alternate products from the date of issuance of Authorizations	The case was rejected in the EPCG Committee meeting held on 05.11.2012. In view of further representation it was decided to review the decision. In this meeting the Committee observed that ; a. KSRCL is a Government of India Undertaking; b. 98% shares of its company is held by Government of Kerala; c. Till February, 2008, its working capital fund to the tune of Rs.56.73 crores were totally blocked due to State Government directive to act as market intervention agency for procurement of 'Natural Rubber' ; d. The production of export products were paralysed till recently in all its units due to lack of working capital; e. It had exported other products viz. 'Natural Rubber' worth US$ 206.52 lakhs during 1998-99 to 2004-05; f. The case was duly recommended by the Minister for Cooperation, Kerala confirming the genuine hardship faced by it and its two group companies viz. M/s. RUBCO Huat Woods Pvt. Ltd. and M/s. RUBCO Sales International Pvt. Ltd. The Committee, therefore, decided **to recommend the case to DG for relaxation under Para 2.5 of FTP** to allow counting of exports of other goods manufactured by the same/group company from the date of issuance of Authorizations subject to the condition that the firm will also maintain the average EO of the other goods. This case will not be treated as precedent. **DG has approved the case.**