F. No. 01/36/218/180/AM-14/EPCG-I
Government of India
Ministry of Commerce and Industry
(Department of Commerce)
Directorate General of Foreign Trade
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312, Udyog Bhavan,
Maulana Azad Road,
New Delhi – 110 011

Dated 28.01.2015

Corrigendum to EPCG Committee Minutes dated 19.12.2013

The Minutes recorded against Case No. 33 in respect of EPCG Authorisation No. 5230007436 dated 27.08.2010 pertaining to the firm M/s Essar Steel India Limited, Mumbai are amended to be read as follows (amended portion in bold):

The Committee observed that:

a. The CGs for the Plant were imported into the SEZ and in 2010 the company exited from SEZ under EPCG Scheme;
b. The firm have already fulfiled the proportionate EO corresponding to the duty saved value on the oxygen plant;
c. They have fulfilled EO of Rs. 1220.18 Crores as against total EO of Rs. 11829 Cr.;
d. EO in respect of Oxygen Plant would work out to be Rs. 966 Crores if we take duty saved amount i.e. Rs. 161 Crores;
e. The firm's request is for selling of oxygen plant **in relaxation of para 5.4 of FTP** as they have fulfilled the corresponding EO and a **partial EO fulfillment certificate** has been issued by the concerned RA.

They have further informed that even after sale, the capital goods will be in the same location and that they would be supplying Oxygen to the steel plant as at present.

The Committee, deliberated upon the case in detail and, thereafter, decided to recommend to DG for relaxation under Para 2.5 of Foreign Trade Policy for grant of permission to sell the oxygen plant subject to the condition that:

(a) Location of the plant will continue to remain at the same place where it is installed;
(b) The plant/CG will continue to be used for intended purpose for which they were imported;
(c) The company to which the CGs are being sold will be supplying the oxygen required for steel manufacturing till EO is completed by M/s Essar Steel India Limited against the EPCG Authorization;
(d) The companies (M/s Essar Steel India Limited and M/s Inox Air Products Limited) will file a joint undertaking that they will be fulfiling the aforesaid conditions at (a), (b) and (c) till EO is completed. **The liability of M/s Essar Steel India Limited in future default/exit shall be based on unfulfilled portion of EO based on original duty saved/EO specified on the total undivided plant and machinery imported under the EPCG scheme.**

2. This has the approval of Director General of Foreign Trade.

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