

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:5387

ANSWERED ON:13.12.2010

IMPORT OF LUXURY CARS

Laguri Shri Yashbant Narayan Singh;Vasava Shri Mansukhbhai D.

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether the Government has issued licences for import of luxury cars;
- (b) if so, the details and the reasons therefor;
- (c) whether the licence holders have imported luxury cars into the country in the name of fake hotels;and
- (d) if so, the action taken against such licence holders so far?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA)

(a) and (b): Yes, Madam. Licences are issued under Export Promotion Capital Goods (EPCG) Scheme for import of motor cars, sports utility vehicles / all purpose vehicles to hotels, travels agents, tour operators or tour transport operators and companies owning / operating golf resorts at 3% concessional customs duty for rendering services to the foreign tourists subject to fulfillment of export obligation equivalent to eight times of duty saved amount to be fulfilled over a period of eight years from licence issue date.

(c) and (d): As per investigation of Directorate Revenue Intelligence (DRI), the firms viz. (i) M/s History Logistics, (ii) M/s Northwest Marwar Resorts & Health Spa Pvt. Ltd., and (iii) M/s Raj Mahal Bhinder have obtained licences in the name of fake hotels and imported Luxury Cars. These firms have been proceeded against under relevant provisions of Foreign Trade (Development & Regulation) Act, 1992 and have thus been placed under Denied Entity List. The firms have however moved Court and the matter is subjudice, at present.