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DIRECTORATE GENERAL OF FOREIGN TRADE

MINUTES OF 8th MEETING OF AM-23 OF THE EPCG COMMITTEE HELD UNDER THE CHAIRMANSHIP OF SHRI S.B.S. REDDY, ADDITIONAL DIRECTOR GENERAL OF FOREIGN TRADE AT 3.00 PM ON 15.11.2022

Eighth Meeting for AM-23 of the EPCG Committee was held at 3.00 PM on 15.11.2022 under the Chairmanship of Shri S.B.S. Reddy, Additional Director General of Foreign Trade through Video Conferencing. Following officers attended the meeting:-

i. Shri Chandan Kumar, OSD, Department of Revenue
ii. Shri Randheep Thakur, Joint Director General of Foreign Trade, DGFT
iii. Shri Sanjeev Kumar Kala, Deputy Director General of Foreign Trade, DGFT
iv. Shri Satish Kumar Oza, Foreign Trade Development Officer, DGFT

2. Minutes of the last Meeting were confirmed. Thereafter, the Committee deliberated upon all the cases and following decisions were taken:-

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Case No. 1. Chiripal Poly Films Limited, Ahmedabad

F. No. HQRPRCAPPLY00258578AM22

Subject: Request to Allow Import of Therminol 66 Heat Transfer Fluid under EPCG Authorization No. 0831003123 dated 12.11.2021 under 0% Concessional duty.

i. The applicant has stated that while applying for issuance of new EPCG Authorization, Import Item Sr No 6: Therminol 66 Therminol 66 Heat Transfer Fluid was included, which is technically falling under Capital Goods Category. However, the same had been considered as Consumable import item by RA, Ahmedabad office and not allowed to be included in applied EPCG authorization and subsequently they raised deficiency seeking justification. They attempted to justify for multiple time but justification was not accepted by the concerned RA. Finally, to comply with the deficiency, they have deleted the item Sr. No. 6 (Therminol 66) from EPCG Application as their import consignment of other capital goods arriving at Port and they need to go for import customs clearance under the said EPCG Authorization.
ii. The applicant has enclosed Nexus of Import Item Therminol 66 Heat transfer fluid and export item, flow chart, Technical Clarification certified by Chartered Engineer, End Use and Data sheet by supplier to justify that Therminol 66 Heat transfer fluid is to be considered as Capital Goods.
iii. The case was considered in the 3rd EPCG committee meeting dated 25.05.2022 and Committee deliberated upon the case and decided to defer it with the directions to seek clarification/comments from RA concerned and also call the applicant for a Personal Hearing to explain their case before the EPCG Committee.
iv. The matter was considered in 6th Meeting of AM-23 of the EPCG Committee held on 03.08.2022 and deferred as the party did not appear.
v. The representative of the firm appeared before the EPCG Committee and informed that they have already imported the required item with payment of requisite Customs duty. Accordingly, they do not require the permission to import Therminol 66 Heat Transfer Fluid against present EPCG authorisation.

Decision: The Committee deliberated upon the case and decided to close off the case treating the same as **withdrawn.**

Case No. 2. Solar Diamond Tools (India) Private Limited, Mumbai

F. No. HQRPRCAPPLY00398307AM22

Subject: Request for Condonation of Delay in submission of Installation Certificate in respect of EPCG Authorization No. 0330046278 dated 25.01.2017 under 0% Concessional Duty.

i. The firm has stated that there was a delay in submission of Installation certificate as they had received it late from Excise department and hence as per P.N. 55 dated 03.01.2020 they are requesting for acceptance of the same Installation Certificate.
ii. As per Installation Certificate dated 29.06.2017 issued by Office of Assistant Commissioner of Central Tax, Thane enclosed by the firm, machinery was installed at the firm's premises

on 28.02.2017 and 14.03.2017 vide BOE No. 8632878 dated 21.02.2017 and 22590 dated 15.02.2017 respectively.

Decision: The Committee deliberated upon the case and decided to **recommend to DG for relaxation under Para 2.58 of FTP 2015-20** to allow condonation of delay in submission of installation certificate which is issued by Central Excise authorities dated 29.6.2017, subject to payment of a late fee of Rs. 5000/- and submission of installation certificate. RA to verify that no ECA/DRI/Customs action is pending.

This has the approval of DG, DGFT.

Case No. 3. Akums drugs & Pharmaceuticals Ltd., New Delhi

F. No. HQREPCGPRAPP00000047AM23

Subject: Request for re-fixation of AEO against EPCG Authorization Nos. 0530158318 dated 09.05.2012, 0530158269 dated 11.05.2012 and 0530158268 dated 01.05.2012 under 03% Concessional duty.

i. The firm has stated that at the time of filing of application, they submitted the C.A. certificate of preceding 3 years FOB value export without excluding the specific EO of other EPCG Authorization obtained earlier from CLA, New Delhi. Accordingly the AEO was imposed against above 3 EPCG authorizations.
ii. The firm has further stated that they have completed EO for the above EPCG Authorizations and filed EODC application with the request for re-fixation of AEO to CLA, New Delhi. CLA, New Delhi directed them to approach EPCG Committee, DGFT (HQ) for re-fixation of AEO.

Decision: After deliberation on the request of the firm, the Committee decided to **defer** the case with the directions to call for report/comments from RA concerned on the submissions made by the applicant.

Case No. 4. Akums Drugs & Pharmaceuticals Ltd., New Delhi

F. No. HQREPCGPRAPP00000026AM23

Subject: Request for re-fixation of AEO against below mentioned 6 EPCG Authorizations under 0% Concessional duty.

i. 0530153737 dated 19.10.2010
ii. 0530153738 dated 19.10.2010
iii. 0530153650 dated 08.10.2010
iv. 0530154660 dated 31.01.2011
v. 0530153862 dated 01.11.2010
vi. 0530153698 dated 13.10.2010

The firm has stated that at the time of filing of application, they submitted the C.A. certificate of preceding 3 years FOB value export without excluding the specific EO of other EPCG Authorization obtained earlier from CLA, New Delhi. Accordingly the AEO was imposed against above 6 EPCG authorizations.

2. The firm has further stated that they have completed EO for the above EPCG Authorizations and filed EODC application with the request for re-fixation of AEO to CLA, New Delhi who directed them to approach EPCG Committee for re-fixation of AEO.

Decision: After deliberation on the request of the firm, the Committee decided to **defer** the case with the directions to call for report/comments from RA concerned on the submissions made by the applicant.

Case No. 5. R G International, Ludhiana

F. No. HQRPRCAPPLY00002056AM23

Subject: Request for second EOP Extension for 6-9 months (beyond 6+2 years) in respect of EPCG Authorization No. 3030011744 dated 17.10.2013 under 0% Concessional Duty.

The firm has stated that they couldn't fulfill their 100% EO in extended EOP due to:-

- Covid-19 pandemic
- Refusal of export orders
- 90% of labor leaving the factory
- Dispute in partnership for 1.5 years
- Troubled financial position

The firm has further stated that they have started with gradual production in their factory with re-employment of labors that previously left and have decided to fulfill exports through third party as per Para 5.10 of HBP 2015-20.

Decision: After due deliberation on the request of the firm, the Committee decided to **defer** the case for further examination.

Case No. 6. The Indian Card Clothing Company Limited, Pune

F. No. HQREPCGPRAPP00000153AM23

Subject: Request for second EOP Extension for 2 years (beyond 6+2 years) in respect of EPCG Authorization No. 3130007063 dated 07.12.2012 under 0% Concessional Duty.

The firm has stated that they couldn't fulfill their 100% EO in stipulated time period due to the following and requested for EO extension beyond 6+2 years:

- Operation of dual manufacturing facilities due to labor unrest and consequent losses for approx. 7 years - From FY 2012-13 to 2018-19, the Company was required to operate two factories and the planned migration of all production from Maharashtra to HP was not successful. This led to the production being distributed in two facilities, doubling of operating and capital expenses. Consequently, the Company's products were not competitive for export markets. The firm incurred heavy losses from Card Clothing operations during these years and was unable to avail excise benefit in HP.
- Closure of Pune facility in FY 2018-19 **-** After operating two facilities with excess capacity for almost seven years and incurring heavy losses, an amicable settlement and agreement with the Labor union of the Pune factory was negotiated during the period January 2018 to April 2018.
- Migration and stability of operations to Himachal Pradesh (further 12-18 months)- Following the settlement in April 2018, company took approximately one year to transfer, install, commission and stabilize the plant & machinery from Pune to the HP factory and further six months to hire and train additional labor. The firm suffered in this duration on account of manufacturing constraints. In same year industry wide exports also declined 3%.
- In this year their exports could have surpassed Rs. 15 Crore but the Company was in lockdown in March 2020. Again in 2022 after Corona impact started reducing company reached to the export level of around Rs. 16.50 Crores.

Decision: The Committee went through the statements made by the applicant and noted that the applicant has not submitted any cogent reason/justification in support of any genuine hardship faced by them. Accordingly, the Committee decided to **reject** the request.

Case No. 7. Tirupati Textile, Maharashtra

F. No. HQRPRCAPPLY00002110AM23

Subject: Request for 2 years EOP Extension up to 13.06.2022 (8+2 years) in respect of EPCG Authorization No. 5030000222 dated 13.06.2012 under 03% Concessional Duty.

The firm has stated that due to unawareness of the policy provisions of the EPCG and repercussions for defaulting regarding the procedures for fulfilling EO they couldn't apply for EOP extension within the stipulated time period. The firm further stated that they have new export orders to be fulfilled and are applying for EOP for 2 years as they couldn't fulfill their 100% EO in stipulated time.

Decision: The Committee deliberated upon the case and decided to **recommend to DG for relaxation under Para 2.58 of FTP, 2015-20** to allow Condonation of delay in approaching RA for EO extension for 2 years (from 8th year to 10th year) on payment of composition fee or imposition of additional export obligation in terms of Para 5.11 of HBP 2009-14 and late fee of Rs. 10,000/-.

The above relaxation is also subjected to the condition that the proper installation certificate has been submitted within time limits as specified in FTP/HBP.

This has the approval of DG, DGFT.

Case No. 8. Sri Sai Ramana Parboiled Modern Rice Mill, Telangana

F. No. HQREPCGPRAPP00000044AM23

Subject: Request for 1st Block Extension in respect of EPCG Authorization No. 0930009872 dated 16.12.2013 under 0% Concessional Duty.

The firm has stated that DGFT had banned/prohibited export of non-basmati rice in mid of 1st Block through its Notification No. 38 dated 15.10.2007 which was lifted vide Notice No. 71 dated 09.09.2011. The firm has stated that based on above PN their EOP should automatically be extended for a period equivalent to the ban. The firm was issued EPCG Authorization in 2013 i.e. 2 years after the ban was lifted.

Decision: The Committee deliberated upon the case and decided to **recommend to DG for relaxation under Para 2.58 of FTP, 2015-20** to allow extension in block-wise EOP, as the firm could not apply to RA within the prescribed time period. This shall be subject to payment of 2% composition fee 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 2009-14 and late fee of Rs. 10,000/-.

The above relaxation is also subject to the following conditions:-

a. The proper installation certificate has been submitted within time limits as specified, and
b. The payment of balance duties of Customs plus interest on unfulfilled EO since the EO period has already expired.

This has the approval of DG, DGFT.

Case No. 9. Kaushik Orthopaedic Pvt. Ltd., New Delhi

F. No. HQREPCGPRAPP00364012AM22

Subject: Request for extension of EOP for 2 years from 12.11.2020 to 11.11.2022 in respect of EPCG Authorization No. 0530162736 dated 12.05.2014 under 0% Concessional duty.

The firm has stated that they could not fulfill their EO against the above authorization within the initial EOP i.e. 6 years and 6 months. The firm has also stated that EOP was granted for 6 months from 12.05.2020 to 11.11.2020 as per PN No. 67/2015-20 dated 31.03.2020.

Decision: The Committee deliberated upon the case and decided to **recommend to DG for relaxation under Para 2.58 of FTP, 2015-20** to allow Condonation of delay in approaching RA for EOP extension for 2 years (from 6 years to 8 years) on payment of composition fee or imposition of additional export obligation in terms of Para 5.11 of HBP 2009-14 and late fee of Rs. 10,000/-. This is in addition to the extensions granted on account of COVID pandemic.

The above relaxation is also subject to the following conditions:-

a. The proper installation certificate has been submitted within time limits as specified, and
b. The payment of balance duties of Customs plus interest on unfulfilled EO since the extended EOP (from 6 to 8 years) has already expired.

This has the approval of DG, DGFT.

<u>Case No. 10. Vijay Textiles, Ludhiana</u>

F. No. HQREPCGPRAPP00000056AM23

Subject: Request for Condonation of Delay in submission of Installation Certificate and waiver of procedural lapse of the same according to Para 5.04 of HBP 2015-20 in respect of EPCG Authorization No. 3030016759 dated 08.09.2017 under 0% Concessional Duty.

i. The firm has stated that they couldn't submit their Installation Certificate issued by Chartered Engineer within stipulated time and the same was submitted later along with penalty of Rs. 5000. Hence the firm has requested to allow waiver in procedural lapse of late submission of Installation Certificate as per Para 5.04 of HBP 2015-20
ii. As per Installation Certificate dated 29.12.2017 issued by Chartered Engineer enclosed by the firm, machinery was installed at the firm's premises on 28.12.2017 with BOE No. 3503928 dated 05.10.2017.

Decision: The Committee went through the statements made by the applicant and noted that the applicant has not submitted any cogent reason/justification in support of any genuine hardship faced by them. Accordingly, the Committee decided to **reject** the request.

<u>Case No. 11. Shree Saikrupa Agro Industries, Maharashtra</u>

F. No. HQRPRCAPPLY00002549AM23

Subject: Request for EOP Extension for 2 years up to 16.10.2022 (6+2 years) in respect of EPCG Authorization No. 5030000511 dated 16.10.2014 under 0% Concessional Duty.

The firm has stated that due to unawareness of the policy provisions, industry not being completely aware about the rules and regulations of the EPCG and its repercussions for defaulting regarding the procedures for fulfilling EO they couldn't apply for EOP extension within the stipulated time period. The firm further stated that they have new export orders to be fulfilled and are applying for EOP for 2 years as they couldn't fulfill their 100% EO in stipulated time.

Decision: The Committee deliberated upon the case and decided to **recommend to DG for relaxation under Para 2.58 of FTP, 2015-20** to allow Condonation of delay in approaching RA for EOP extension for 2 years (from 6 years to 8 years) on payment of composition fee or imposition of additional export obligation in terms of Para 5.11 of HBP 2009-14 and late fee of Rs. 10,000/-.

The above relaxation is also subject to the following conditions :-

a. The proper installation certificate has been submitted within time limits as specified, and
b. The payment of balance duties of Customs plus interest on unfulfilled EO since the extended EOP (from 6 to 8 years) has already expired.

This has the approval of DG, DGFT.

<u>Case No. 12. Rajindra Rice and General Mills, Kartarpur (Punjab)</u>

F. No. HQREPCGPRAPP00000145AM23

Subject: Request for Condonation of Delay in submission of Installation Certificate and waiver of procedural lapse in the same according to Para 5.04 of HBP 2015-2020 in respect of EPCG Authorization No. 3030016676 dated 30.06.2017 under 0% Concessional Duty.

i. The firm has stated that they couldn't submit the Installation Certificate in stipulated time period and could submit it only after 2 years along with composition fees/penalty of Rs. 5000. The firm has requested for Condonation of late submission of the same as per Para 5.04 of HBP 2015-20.
ii. As per Installation Certificate dated 17.10.2017 issued by Chartered Engineer enclosed by the firm, machinery was installed at the firm's premises on 16.10.2017 with BOE No. 2520131 dated 19.07.2017.

Decision: The Committee went through the statements made by the applicant and noted that the applicant has not submitted any cogent reason/justification in support of any genuine hardship faced by them. Accordingly, the Committee decided to **reject** the request.

<u>Case No. 13. Sai Gold Pvt. Ltd, Mumbai</u>

F. No. HQRPRCAPPLY00002057AM23

Subject: Request for 1st Block Extension and 2 years EOP Extension (8+2 years) In respect of EPCG Authorization No. 0330035276 dated 08.03.2013 under 03% Concessional Duty.

i. The firm has stated that they had approached to RA Mumbai vide letter dated 08.04.2022 for the mentioned request but were issued a DL stating that they have not applied within the prescribed time limit as per HBP for block extension and EOP extension and may regularize the case on payment of duty and interest on the full DSV utilized.
ii. The firm has not provided any cogent justification regarding non-fulfillment of their 100% EO in stipulated time period. The firm has stated that they want to deposit extension fees as per Public Notice No. 35/2015-20 and additional composition fees of Rs. 5000.

Decision: The Committee deliberated upon the case and decided to **recommend to DG for relaxation under Para 2.58 of FTP, 2015-20** to allow:-

(a) Extension in block-wise EOP, as the firm could not apply to RA within the prescribed time period. This shall be subject to payment of 2% composition fee 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 2009- 14 and late fee of Rs. 10,000/-.

(b) Condonation of delay in approaching RA for EO extension for 2 years (from 8th year to 10th year) on payment of composition fee or imposition of additional export obligation in terms of Para 5.11 of HBP 2009-14 and late fee of Rs. 10,000/-.

The above relaxation is also subject to the condition that the proper installation certificate has been submitted within time limits as specified in FTP/HBP.

This has the approval of DG, DGFT.

<u>Case No. 14. Alpine Apparels Pvt. Ltd., Faridabad</u>

F. No. HQREPCGPRAPP00401786AM22

Subject: Request for condonation of delay in submission of Installation Certificate in respect of EPCG Authorization No. 0530170212 dated 03.05.2017 under 0% Concessional Duty.

The firm has stated that the installation certificate for the above authorization was issued within prescribed time limit but unfortunately was not submitted to CLA New Delhi due to lack of knowledge of policy provisions. CLA, New Delhi issued a D/L advising to approach DGFT for condonation.

As per Installation certificate issued by Chartered Engineer on 10.09.2017, CGs were imported vide BoE nos. 9883390 dated 30.05.2017 and 2885837 dated 17.08.2017, and installed at the premises place on 15.06.2017 and 27.08.2017 respectively.

Decision: The Committee went through the statements made by the applicant and noted that the applicant has not submitted any cogent reason/justification in support of any genuine hardship faced by them. Accordingly, the Committee decided to **reject** the request.

<u>Case No. 15. Paras Offset Private Limited, Sonepat Haryana</u>

F. No. HQRPRCAPPLY00002553AM23

Subject: Request for EOP Extension up to March 2025 in respect of following 4 EPCG Authorization Nos.

i. **0530140657 dated 17.03.2006 under 03% Concessional Duty**

ii. **0530147400 dated 07.10.2008 under 03% Concessional Duty**

iii. **0530156428 dated 06.09.2011 under 0% Concessional Duty**

iv. **0530159757 dated 19.11.2012 under 0% Concessional Duty**

The firm has stated that they had obtained the above mentioned 4 licenses for importing Printing/Cutting & Binding Machines (CG) for their EO, viz. Exporting products like Printed Books, Stationery, Packaging items etc. The firm stated that they couldn't fulfill their 100% EO in stipulated time due to:

- Overall slow-down and recession in the global markets during the past few years.
- From 2010 the global printing and publishing industry suffered due to the shifting away from physical publications to e- publishing and introduction of digital books which resulted in global slowdown of industry.
- Trade growth since 2018 was weighed down by several factors, including new tariffs and retaliatory measures affecting widely-traded goods leading to weaker global economic growth, volatility in financial markets, and tighter monetary conditions in developed countries. Moreover, the Indian

printing market struggling with profitability over the years due to cheaper import, state, and central taxes on export and high interest rates, recent spurt in input prices in the country had a major impact on bottom line profitability.

- Loss of Director of the company due to Covid-19 pandemic who looked after all the workings of the business.
- Covid-19 pandemic resulting in Trade restrictions due to disrupted supply chains and decline in the printing product consumption amid the imposed lockdown had further negatively impacted the market.

The firm further stated that since last year they have reorganized within their organization and have been able to find opportunities to get export orders. The firm also stated that they have added new machinery to meet global quality standards, made new capital investments, have hired new marketing personnel, and have gained export certifications such as FSC, ISO 12647, GMP, SEDEX and are confident of revival of business in the upcoming 3 years period.

Decision: The Committee went through the statements made by the applicant and noted that the applicant has not submitted any cogent reason/justification in support of any genuine hardship faced by them. Accordingly, the Committee decided to **reject** the request.

Case No. 16. Surat Textile Mills Limited, Surat

F. No. HQRPRCAPPLY00002169AM23

Subject: Request for Waiver from maintaining Annual Average of the past 3 years of Export Performance in respect of EPCG Authorization No. 5230009067 dated 21.06.2011.

As per ANF-2D, the firm has stated that they couldn't maintain their Annual Average of the past 3 years of Export Performance due to:

- The period of Exports coincided with the period when most of the textile industry in India and Worldwide were either closed down or operated at nominal operating ratio.
- The Migrant Labor which comprises the workforce of the textile sector engaged in reverse migration to their hometowns in Bihar, U.P., M.P., Orissa, and Maharashtra. The textile factories in and around Surat and Silvassa Region further suffered due to this factor and operated at very low capacities.
- The above mentioned reason was observed in the importing countries like, Egypt, Bangladesh and other labor intensive countries which specialize in textiles.
- Low demand situation in Textile Sector, Nationally and Internationally. The customers who had committed to the purchase of their Finished Goods did not keep their commitments and the firm's anticipated Sales did not materialize.

Decision: The Committee went through the statements made by the applicant and noted that the applicant has not submitted any cogent reason/justification in support of any genuine hardship faced by them. Accordingly, the Committee decided to **reject** the request.

<u>Case No. 17. Vishindas Holaram, Mumbai</u>

F. No. HQRPRCAPPLY00003225AM23

Subject: Request for Condonation of procedure lapse of non-mentioning of EPCG Authorization No. and File No. on EDI Shipping Bills affecting the fulfillment of EO in respect of EPCG Authorization No. 0330045348 dated 26.09.2016 under 0% Concessional Duty.

The firm has stated that they have made substantial Exports of Cut & Polished Diamonds and have also fulfilled the maintenance of average exports. The firm further stated that due to oversight they have not mentioned the EPCG Authorization No. & File No. on the EDI Shipping bills and for the same reason had given an affidavit. In view of the same, the firm has requested to consider the mentioned Shipping bills which the firm had given for fulfillment of EO.

RA Mumbai has issued a Deficiency letter to the firm stating that the firm hasn't submitted Installation Certificate within stimulated time and the Shipping Bills endorsed by the firm are free Shipping Bills and cannot be counted for Specific EO.

Decision: The Committee went through the statements made by the applicant and noted that the applicant has not submitted any cogent reason/justification in support of any genuine hardship faced by them. Accordingly, the Committee decided to **reject** the request.

<u>Case No. 18. Vishindas Holaram, Mumbai</u>

F. No. HQRPRCAPPLY00003228AM23

Subject: Request for condonation of procedure lapse of non-mentioning of EPCG Authorization No. and File No. on EDI Shipping Bills affecting the fulfillment of EO in respect of EPCG Authorization No. 0330044798 dated 12.07.2016 under 0% Concessional Duty.

The firm has stated that they have made substantial Exports of Cut & Polished Diamonds and have also fulfilled the maintenance of average exports. The firm further stated that due to oversight they have not mentioned the EPCG Authorization No. & File No. on the EDI Shipping bills and for the same reason had given an affidavit. In view of the same, the firm has requested to consider the mentioned Shipping bills which the firm had given for fulfillment of EO.

RA Mumbai has issued a Deficiency letter to the firm stating that the firm hasn't submitted Shipping Bill and BRC, AEP Statement, CAC, ANF 5B and Installation Certificate within stimulated time.

Decision: The Committee went through the statements made by the applicant and noted that the applicant has not submitted any cogent reason/justification in support of any genuine hardship faced by them. Accordingly, the Committee decided to **reject** the request.

Case No. 19. Vishindas Holaram, Mumbai

F. No. HQRPRCAPPLY00003226AM23

Subject: Request for condonation of procedure lapse of non-mentioning of EPCG Authorization No. and File No. on EDI Shipping Bills affecting the fulfillment of EO in respect of EPCG Authorization No. 0330051261 dated 05.07.2019 under 0% Concessional Duty.

The firm has stated that they have made substantial Exports of Cut & Polished Diamonds and have also fulfilled the maintenance of average exports. The firm further stated that due to oversight they have not mentioned the EPCG Authorization No. & File No. on the EDI Shipping bills and for the same reason had given an affidavit. In view of the same, the firm has requested to consider the mentioned Shipping bills which the firm had given for fulfillment of EO.
RA Mumbai has issued a Deficiency letter to the firm stating that the firm hasn't submitted Shipping Bill and BRC, AEP Statement, CAC, ANF 5B and Installation Certificate within stimulated time.

Decision: The Committee went through the statements made by the applicant and noted that the applicant has not submitted any cogent reason/justification in support of any genuine hardship faced by them. Accordingly, the Committee decided to **reject** the request.

Case No. 20. Vishindas Holaram, Mumbai

F. No. HQRPRCAPPLY00003227AM23

Subject: Request for condonation of procedure lapse of non-mentioning of EPCG Authorization No. and File No. on EDI Shipping Bills affecting the fulfillment of EO in respect of EPCG Authorization No. 0330049913 dated 19.09.2018 under 0% Concessional Duty.

The firm has stated that they have made substantial Exports of Cut & Polished Diamonds and have also fulfilled the maintenance of average exports. The firm further stated that due to oversight they have not mentioned the EPCG Authorization No. & File No. on the EDI Shipping bills and for the same reason had given an affidavit. In view of the same, the firm has requested to consider the mentioned Shipping bills which the firm had given for fulfillment of EO.

RA Mumbai has issued a Deficiency letter to the firm stating that the firm hasn't submitted Shipping Bill and BRC, AEP Statement, CAC, ANF 5B and Installation Certificate within stimulated time.

Decision: The Committee went through the statements made by the applicant and noted that the applicant has not submitted any cogent reason/justification in support of any genuine hardship faced by them. Accordingly, the Committee decided to **reject** the request.

Case No. 21. Vishindas Holaram, Mumbai

F. No. HQRPRCAPPLY00003229AM23

Subject: Request for condonation of procedure lapse of non-mentioning of EPCG Authorization No. and File No. on EDI Shipping Bills affecting the fulfillment of EO in respect of EPCG Authorization No. 0330046034 dated 22.12.2016 under 0% Concessional Duty.

The firm has stated that they have made substantial Exports of Cut & Polished Diamonds and have also fulfilled the maintenance of average exports. The firm further stated that due to oversight they have not mentioned the EPCG Authorization No. & File No. on the EDI Shipping bills and for the same reason had given an affidavit. In view of the same, the firm has requested to consider the mentioned Shipping bills which the firm had given for fulfillment of EO.

RA Mumbai has issued a Deficiency letter to the firm stating that the firm hasn't submitted Installation Certificate within stimulated time and the Shipping Bills endorsed by the firm are free Shipping Bills and cannot be counted for Specific EO.

Decision: The Committee went through the statements made by the applicant and noted that the applicant has not submitted any cogent reason/justification in support of any genuine hardship faced by them. Accordingly, the Committee decided to **reject** the request.

Case No. 22. Livguard Batteries Pvt. Ltd., Gurgaon

F. No. HQREPCGPRAPP00378358AM22

Subject: Request for condonation for late submission of Installation certificate against EPCG Authorization No. 0530171650 dated 17.01.2018 under 0% Concessional Duty - reg.

As per Installation certificate issued by Central Excise on 28.11.2018, CG was imported on 20.02.2018 and 29.12.2017, and installed at the premises place on 30.06.2018. The firm has stated that they could not submit installation certificate to CLA, New Delhi within 18 months by mistake. In this regard, CLA, New Delhi issued a D/L advising them to approach DGFT Committee for condonation.

Decision: The Committee deliberated upon the case and decided to **recommend to DG for relaxation under Para 2.58 of FTP 2015-20** to allow condonation of delay in submission of installation certificate, subject to payment of composition fee of Rs. 5000/- and submission of installation certificate. RA to verify that no ECA/DRI/Customs action is pending.

This has the approval of DG, DGFT.

Case No. 23. HP Cotton Casuals Pvt. Ltd, Kolkata

F. No. HQREPCGPRAPP00000165AM23

Subject: Request for extension of 1st Block in respect of EPCG Authorization No. 0230009852 dated 28.10.2014 under 0% Concessional duty- reg.

The firm has stated that they could not complete 50% EO in the 1st Block within stipulated time period i.e.4 years due to the unfavorable market situation of the Textiles sector. The firm has requested for extension of 1st Block in order to fulfill their EO against the above license.

Decision: The Committee deliberated upon the case and decided to **recommend to DG for relaxation under Para 2.58 of FTP 2015-20** to allow extension in block-wise EOP, as the firm could not apply to RA within the prescribed time period. This shall be subject to payment of 2% composition fee 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 2009-14 and late fee of Rs. 10,000/-.

The above relaxation is also subject to the following conditions:-
The proper installation certificate has been submitted within time limits as specified, and the payment of balance duties of Customs plus interest on unfulfilled EO since the EO period has already expired.

This has the approval of DG, DGFT.

Case No. 24. HP Cotton Casuals Pvt. Ltd, Kolkata

F. No. HQREPCGPRAPP00000168AM23

Subject: Request for extension of 1st Block in respect of EPCG Authorization No. 0230009915 dated 02.12.2014 under 0% Concessional duty- reg.

The firm has stated that they could not complete 50% EO in the 1st Block within stipulated time period i.e.4 years due to the unfavorable market situation of the Textiles sector. The firm has requested for extension of 1st Block in order to fulfill their EO against the above license.

Decision: The Committee deliberated upon the case and decided to **recommend to DG for relaxation under Para 2.58 of FTP 2015-20** to allow extension in block-wise EOP, as the firm could not apply to RA within the prescribed time period. This shall be subject to payment of 2% composition fee 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 2009-14 and late fee of Rs. 10,000/-.

The above relaxation is also subjected to the condition that the proper installation certificate has been submitted within time limits as specified in FTP/HBP.

This has the approval of DG, DGFT.

Case No. 25. BST Infratech Ltd, Kolkata

F. No. HQREPCGPRAPP00000170AM23

Subject: Request for extension of 1st Block in respect of EPCG Authorization No. 0230007093 dated 29.08.2011 under 3% Concessional duty- reg.

The firm has stated that they could not complete 50% EO in the 1st Block within stipulated time i.e. 6 years due to the unfavorable reason. The firm has requested for extension of 1st Block in order to fulfill their EO against the above license.

Decision: The Committee deliberated upon the case and decided to **recommend to DG for relaxation under Para 2.58 of FTP 2015-20** to allow extension in block-wise EOP, as the firm could not apply to RA within the prescribed time period. This shall be subject to payment of 2%

composition fee 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 2009-14 and late fee of Rs. 10,000/-.

The above relaxation is also subjected to the condition that the proper installation certificate has been submitted within time limits as specified in FTP/HBP.

This has the approval of DG, DGFT.

Case No. 26. Rajindra Rice and General Mills, Kartarpur (Punjab)

F. No. HQREPCGPRAPP00000146AM23

Subject: Request for Condonation of Delay in submission of Installation Certificate issued by Chartered Engineer in respect of EPCG Authorization No. 3030014327 dated 08.07.2015 under 0% Concessional Duty.

The firm has stated that they couldn't submit the Installation Certificate in stipulated time period and has requested for relaxation for regularization of the same for redemption purpose with penalty of Rs. 5000/-.

Decision: The Committee went through the statements made by the applicant and noted that the applicant has not submitted any cogent reason/justification in support of any genuine hardship faced by them. Accordingly, the Committee decided to **reject** the request.

Case No. 27. Sidharth Cotex, Kolhapur

F. No. HQRPRCAPPLY00001447AM23

Subject: Request for regularization of late submission of Export Shipping Bill by 1 day from the expiry of EOP in respect of EPCG Authorization No. 3130006262 dated 09.01.2012 under 03% Concessional duty.

The firm has stated that due to some changes in export orders they tried to fulfill their EO in stipulated time but their Export Shipping Bill got filed on 09.01.2020 which is 1 day delay from the expiry of the EOP i.e. 08.01.2020.

The firm further stated that they had fulfilled their 100% EO and have requested to consider exports made under Shipping Bill No. 9525882 dated 09.01.2022 for regularization purpose.

Decision: The Committee deliberated upon the case and decided to **recommend to DG for relaxation under Para 2.58 of FTP, 2015-20** for regularization of late submission of Export Shipping Bill by 1 day from the expiry of EOP/condonation of delay in approaching RA for extension in EOP beyond 8 years for 1 day i.e. up to 09.01.2020 on payment of composition fee or imposition of additional export obligation in terms of Para 5.11 of HBP 2009-14.

This has the approval of DG, DGFT.

Case No. 28. Pallavi Weaving, Maharashtra

F. No. HQRPRCAPPLY00002154AM23

Subject: Request for EOP Extension for 2 years up to 13.12.2022 (8+2 years) in respect of EPCG Authorization No. 5030000312 dated 13.12.2012 under 03% Concessional Duty.
The firm has stated that due to unawareness of the policy provisions, industry not being completely aware about the rules and regulations of the EPCG and its repercussions for defaulting regarding the procedures for fulfilling EO they couldn't apply for EOP extension within the stipulated time period. The firm further stated that they have new export orders to be fulfilled and are applying for EOP for 2 years as they couldn't fulfill their 100% EO in stipulated time.

Decision: The Committee deliberated upon the case and decided to **recommend to DG for relaxation under Para 2.58 of FTP, 2015-20** to allow Condonation of delay in approaching RA for EO extension for 2 years (from 8th year to 10th year) on payment of composition fee or imposition of additional export obligation in terms of Para 5.11 of HBP 2009-14 and late fee of Rs. 10,000/-.

The above relaxation is also subjected to the condition that the proper installation certificate has been submitted within time limits as specified in FTP/HBP.

This has the approval of DG, DGFT.

Case No. 29. M-Tech Innovations Limited, Pune

F. No. HQREPCGPRAPP00000340AM23

Subject: Request for second EOP Extension for 5 months i.e. beyond 6+2 years in respect of EPCG Authorization No. 3130005499 dated 07.02.2011 under 0% Concessional Duty.

The firm has stated that the said application is for seeking relaxation for 5 months additional EOP above the 8 years of overall EOP as eligible under FTP. The firm has stated that they couldn't fulfill their 100% EO in stipulated time period due to:

- New innovation and technology of digitalized recharging of phone and internet came into effects, completely wiping out the technology, innovation and markets of scratch cards and the firm couldn't cope up with the consequences of the same
- Above mentioned situation took a lot of time, energy, and finances to diversify their activities in other areas having nexus with capital goods capable of manufacturing of other products like ATM cards, debit cards/ credit cards, driving license cards, identity cards and several other cards used in the automobile/ other industries/ service sectors, etc.
- Problems because of the finished products manufactured by them were allowed to be imported duty-free under custom notifications but the raw material used was subjected to be imported after payment of customs duty. However, the government realized this anomaly and has made the raw material duty free under Import of Goods at Concessional Rate of Duty. This has disturbed the level playing field, loss of domestic markets and almost complete closure of the plants
- The firm lost old, traditional and well-nurtured markets to the Chinese exporters.

- The firm further stated that in 8 years of extended EOP they have completed EO to the Extent of US$ 3,10,487.46 (56.27%) and thereafter in next 5 months period, they have exported US$ 241,312.33 (43.73%) worth of export product.

Decision: The Committee deliberated upon the case and after considering the genuine difficulties as mentioned above faced by the party in fulfilling the export obligation within the extended EOP period of 8 years decided to **recommend to DG for relaxation under Para 2.58 of FTP, 2015-20** to allow extension in EOP for a period of 5 months beyond 06.02.2019 i.e. till 06.07.2019 for regularization purpose and issue of EODC.

This is subject to payment of composition fee equal to 2% of proportionate duty saved amount on unfulfilled export obligation or an enhancement in export obligation imposed to the extent of 10% of total export obligation imposed under authorization, as the case may be in terms of provisions contained in Para 5.11 of HBP 2009-14.

This has the approval of DG, DGFT.

Case No. 30. Tirupur Textiles Private Limited, Tamil Nadu

F. No. HQREPCGPRAPP00000308AM23

Subject: Request for Relaxation from maintaining of Annual Average Export Performance and permission to grant EODC after dispensing the left over balance of AEO in respect of EPCG Authorization Nos. 3230022213 dated 06.05.2015 and 3230023160 dated 16.11.2015 under 0% Concessional Duty.

The firm has stated that they have to maintain Average Export Performance of USD$ 4798515.91 (Rs. 281846996.33) of the past 3 years and from 2015-18 has exported cotton yarn to the tune of Rs. 66.89 crores but couldn't export in 2018-20 due to lack of feasible export orders and 2020-22 due to Covid-19 pandemic.

The firm further stated that due to perennial issues like lack of credible abroad buyers, raw material price hike, global recession and Covid-19 pandemic they were not able to fulfill EO towards Average Export Performance. They further stated that they are facing tough competition in domestic and international market and will not be able to comply with conditions of the EPCG Authorizations and will be force to pay duties with interest due to which they will have to close down their operations which will impact 600 direct and 1500 indirect employees.

The firm mentioned that all their authorizations are nearing completion of EOP and they will not be able to comply with EO imposed in EPCG Authorizations after maintaining Annual AEO mentioning that the cumulative AEP will be around Rs. 169 crores of the licenses issued to them.

Decision: The Committee went through the statements made by the applicant and noted that the applicant has not submitted any cogent reason/justification in support of any genuine hardship faced by them. Accordingly, the Committee decided to **reject** the request.

Case No. 31. Gomatesh Granites

F. No. HQRPRCAPPLY00367965AM22

Subject: Request for condonation of non-mentioning of EPCG Authorization number on shipping bills against EPCG Authorization No. 0430006332 dated 01.07.2008 under 3% Concessional Duty -reg.

The firm has stated that they could not mention EPCG Authorization number on Shipping Bills (SB. Nos. 128/09 dated 09.02.2009, 241/09 dated 09.03.2009, 256/09 dated 13.03.2009, 372/09 dated 06.04.2009,393/09 dated 17.03.2009, 655/09 dated 22.06.2009, 654/09 dated 22.06.2009) due to clerical error by the CHA staff while preparation of documents. Therefore, the application was rejected by RA, Chennai due to submission of free shipping bills.

The firm has further stated that they do not get any other export incentive benefits such as DEPB, DBK other than discharge of export obligation against the above EPCG authorization under HS Code No. 25161100 and Granite Exports do not qualify for any export benefits other than EPCG License which is an additional incentive given to all other exporters, other that advance license, DEPB, MEIS, DBK etc.

Decision: The Committee went through the statements made by the applicant and noted that the applicant has not submitted any cogent reason/justification in support of any genuine hardship faced by them. Accordingly, the Committee decided to **reject** the request.

Case No. 32. J.G. Spinning Mills Pvt. Ltd., Coimbatore

F. No. HQREPCGPRAPP00384730AM22

Subject: Request from J.G. Spinning Mills Pvt. Ltd., Coimbatore against non-consideration of third party exports for redemption & EODC against EPCG Authorization No. 3230017143 dated 06.09.2011 and 3230017252 dated 10.10.2011 as per Para 5.10 [d] of HBP, 2015-20-reg.

The firm has stated that they had obtained EPCG Authorization for manufacture and export of cotton yarn. Thereafter, the export product was amended by adding the value-added products of Ready-Made Garments [RMG] by Amend Slip No.2 dated 06.09.2011. The firm has further stated that since they had no export order for Ready-Made Garments, they supplied the cotton yarn to a local exporter and then, the local exporter had manufactured the Ready-Made Garments and exported as per Para 5.10 [d] of HBP – Third Party Exports. The firm has also stated that they followed all the procedures laid down under Para 5.10 [d] of HBP and submitted all the documents prescribed under Para 5.10 [d] of HBP.

The firm has informed that RA, Coimbatore had rejected their request for EODC vide their letter dated 17.09.2019 on the ground that the Ready-Made Garments was not manufactured by them.

The firm has further informed that RA, Coimbatore’s rejection is not in order especially when the third part had given Disclaimer Certificate and also, they had submitted all the documents prescribed under Para 5.10 [d] of HBP such as :

Shipping Bills endorsing both the names of our company and the ultimate exporter, M/s. Dollar Industries Limited, Tirupur.

i. Disclaimer Certificate from the Dollar Industries, the ultimate Exporter of RMG.
ii. Financial details for supply of yarn by us to M/s. Dollar Industries Limited, Tirupur.
iii. BRCs in Appendix-22B for receipt of sales of cotton yarn by our company to M/s. Dollar Industries who ultimately manufactured and exported the final products - RMG.
iv. Other evidence such as original Shipping Bills, BRCs, Disclaimer Certificate and documents require under Para 5.10 [d] of HBP including ANF-5B.

Decision: The Committee went through the statements made by the applicant and noted that the supplies made by EPCG authorization holder to local exporter cannot be treated as 'Third Party Exports' since Yarn supplied by EPCG authorization holder has been used up in manufacturing other items within the country. These are not third party exports. For supplies to be counted as third party exports same goods which were supplied by EPCG authorization holder need to be exported by third party exporter. The Committee observed that the applicant has not submitted any cogent reason/justification in support of any genuine hardship faced by them. Accordingly, the Committee decided to **reject** the request.

Case No. 33. Premier Cotspin Limited, Samana, Punjab

F. No. HQREPCGPRAPP00169166AM22

Subject: Request for Condonation of delay in submission of Installation Certificate against EPCG Authorization no. 3030010384 dated 21.12.2012 under 03% Concessional Duty -reg.

The applicant has stated that inadvertently they could not submit the installation certificate to RA well in time i.e. within 6 months from the date of clearance of import consignment and the same was submitted at the time of redemption. It is a procedural lapse and due to covid-19 they could not able to submit within extended validity notified vide P.N. 01/2015-2020 dated 07.04.2020. As per Installation Certificate dated 04.04.2013 issued by Chartered Engineer, machinery was installed at the firm's premises on 01.04.2013 vide BOE No. 9091385 dated 22.01.2013.

Decision: The Committee went through the statements made by the applicant and noted that the applicant has not submitted any cogent reason/justification in support of any genuine hardship faced by them. Accordingly, the Committee decided to **reject** the request.

Case No. 34. Mukti Projects Limited, Kolkata

F. No. HQREPCGPRAPP00397152AM22

Subject: Request for 2 years EOP Extension from the date of endorsement (beyond 8+2 years) in respect of EPCG Authorization No. 0230007253 dated 24.10.2011 under 03% Concessional Duty.

The firm has stated that they had received 13 EPCG Authorizations as a Hotel Service Provider and completed EO in 9 amongst them. The firm further stated that they couldn't fulfill 100% EO for subject license as they were under completion of EO of other 11 EPCG Authorizations and also because of Covid-19 wherein their hotel was shut down since beginning of 2020 which reopened recently in September 2021. The firm further stated doubts over functioning of their hotel in near future owing to recent variants of Covid-19 and that no forex earnings are expected for establishments in the near future as no foreign guests are expected. The firm has applied to RA for 8+2 Extension up to 24.10.2021 on 10.02.2021 in terms of P.N. 36 dated 25.10.2017.

The firm further stated them that by providing them with 8+2 years of Extension from October 2019 to October 2021 would have no value as hotels were completely shut down during that period due to Covid-19 pandemic and Government directive to close down all hospitality establishments during this period. The firm has requested for 2 years EOP Extension from the date of endorsement to compensate the loss of 1st EOP Extension period due to severe pandemic conditions.

Decision: The Committee deliberated upon the case and decided to **recommend to DG for relaxation under Para 2.58 of FTP, 2015-20** to allow condonation for delay in approaching RA for second extension in EOP (10th year to 12th year) with a condition that 50% of duty payable in proportion to the unfulfilled EO is paid by the authorization holder to custom authorities in terms of provisions contained in Para 5.11 (b) of HBP 2009-14.

The above relaxation is also subject to the condition that the proper installation certificate has been submitted within time limits as specified in FTP/HBP.

This has the approval of DG, DGFT.

Case No. 35. Oriental Knitwear Pvt. Ltd., Howrah

F. No. HQREPCGPRAPP00288287AM22

Subject: Request for waiver of conditions imposed at Para 5.10 (d) of HBPv1 declared on 01.04.2015 read with Policy Circular No. 3/2015-20 dated 02.09.2015 Para 5.10 (c) of HBPv1 declared on 05.12.2017 & Policy Circular No. 22/2015-20 dated 29.03.2019 for the sake of growth & survival of Textile sector - reg.

The firm has stated that they had obtained EPCG License No. 0230002362 dated 21.05.2007, imported Capital goods vide BOE dated 19.06.2007 and installed the Capital Goods on 04.07.2007. The firm has further stated that they have already fulfilled 99.13% specific EO through third party export.

The problem being faced by the Textile Industry post 01.04.2015 after announcement of Exim Policy 2015-20 where by virtue of Para 5.10 (d) of HBPv1 some new conditions for third party exports were stipulated which practically cannot be followed in Textiles/Readymade garment sector. After that on 02.09.2015 by virtue of Policy Circular No. 3/2015-20, the new conditions of third party were also imposed for EPCGs issued prior to 01.04.2015 where export obligation was due beyond 01.04.2015.

Decision: The Committee went through the statements made by the applicant and noted that the applicant has not submitted any cogent reason/justification in support of any genuine hardship faced by them. Accordingly, the Committee decided to **reject** the request.

<u>Case No. 36. Kasturi Multi Solutions Private Limited, Giridih (Jharkhand)</u>

F. No. HQREPCGPRAPP00401405AM22

Subject: Request for 2 years EOP Extension up to 31.12.2023 (in view of DGFT Notification No. 28/2015-20) in respect of EPCG Authorization No. 2130000191 dated 18.06.2014 under 0% Concessional Duty.

i. The firm has stated that they have imported Capital Goods under the EPCG scheme with an obligation to export 6 times of the duty saved in 6 years but couldn't fulfill their 100% EO in stipulated time period.
ii. The firm has requested for EOP extension for 2 years i.e. up to 31.12.2023 since the initial EOP expired on 31.12.2021 as per DGFT Notification No. 67/2015-2020 dated 31.03.2020 read with 28/2015-2020 dated 23.09.2021 and they are hopeful that they can fulfill EO with 25% enhancement (20% enhancement as per Para 5.11 of HBP (2009-2014) + 5% enhancement as per Notification No.28/2015-2020 dated23.09.2021), within extended EOP.

Decision:

In respect of request for EOP Extension up to 31.12.2021:

The Committee deliberated upon the case and decided to advise the firm to **approach RA** for extension of Export Obligation Period up to 31.12.2021 as per DGFT's Public Notice No. 67 dated 31.3.2020 and Notification No. 28/2015-2020 dated 23.09.2021.

In respect of request for EOP Extension up to 30.12.2023:

The Committee deliberated upon the case and decided to **recommend to DG for relaxation under Para 2.58 of FTP, 2015-20** to allow condonation of delay in approaching RA for EOP extension for 2 years (from 6 yrs to 8 yrs) i.e. up to 30.12.2023 on payment of composition fee or imposition of additional export obligation in terms of Para 5.11 of HBP 2009 -14 and late fee of Rs. 10,000/- .

The above relaxation is also subject to the condition that the proper installation certificate has been submitted within time limits as specified in FTP/HBP.

This has the approval of DG, DGFT.

<u>Case No. 37. Kasturi Multi Solutions Pvt. Ltd., Jharkhand</u>

F. No. HQREPCGPRAPP00402741AM22

Subject: Request for extension of 1st Block in respect of EPCG Authorization No. 2130000191 dated 18.06.2014 under 0% Concessional duty- reg.

The firm has stated that they had export of more than 50 Crores in INR to Nepal, therefore, they could not complete 50% EO in the 1st Block within stipulated time period i.e. 4 years. The firm has requested for extension of 1st Block in order to fulfill their EO against the above license.

Decision: The Committee deliberated upon the case and decided to **recommend to DG for relaxation under Para 2.58 of FTP 2015-20** to allow extension in block-wise EOP, as the firm could not apply to RA within the prescribed time period. This shall be subject to payment of 2% composition fee 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 2009-14 and late fee of Rs. 10,000/-.

The above relaxation is also subject to the following conditions:-

i. The proper installation certificate has been submitted within time limits as specified, and
ii. The payment of balance duties of Customs plus interest on unfulfilled EO since the EO period has already expired.

This has the approval of DG, DGFT.

Case No. 38. Shyam Foot Tech Private Limited, New Delhi

F. No. HQREPCGPRAPP00399826AM22

Subject: Request for condonation of delay in submission of Installation Certificate in respect of EPCG Authorization No. 0530166001 dated 06.10.2015 under 0% Concessional Duty.

i. The firm has stated that they were unable to fulfill 100% EO in both blocks within stipulated time period due to slowdown in global market and Covid-19 pandemic. The firm is now looking for export orders through their agents and requesting for 1st Block Extension and 2 years EOP Extension.
ii. The firm has further stated that they have not submitted their Installation Certificate to CLA New Delhi within 6 months from the date of import as per the provisions of FTP and have requested to regularize the delay of its submission.
iii. As per Installation Certificate dated 25.11.2015 issued by Chartered Engineer enclosed by the firm, machinery was installed in the firm's premises on 12.11.2015 and 18.11.2015 with BOE No. 3063401 dated 27.10.2015 and 3182911 dated 06.11.2015 respectively.

Decision: The Committee went through the statements made by the applicant and noted that the applicant has not submitted any cogent reason/justification in support of any genuine hardship faced by them. Accordingly, the Committee decided to **reject** the request.

Case No. 39. Shrijee Lifestyle Private Limited, Mumbai

F. No. HQRPRCAPPLY00002537AM23

Subject: Request for condonation of delay in payment of official fees on excess duty saved value utilized at customs against EPCG authorization No. 0330035697 dated 08.05.2013 under 0% Concessional Duty for redemption.

The firm has stated that they got the subject license for duty saved value of Rs. 1009400.0 and wherein they have utilized duty saved amount for Rs. 1010886.0 resulting in excess utilization of Rs. 1486 which consists of 0.15% of duty saved amount value. The firm has requested to condone the delay of procedural lapse in payment of official fees on excess duty saved value utilization at customs in respect of subject authorization. The firm stated that they have already paid the delay in payment of official fees as per P.N. No. 22/205-20 dated31.07.2019 wherein RA have the power to accept delayed fees up to two years. The firm further referred to Para 5.16(a) of HBP 2015-20, as amended, which provides that if authorization issued has been utilized for import of goods in excess of duty saved amount indicated on the authorization by not more than 10 percentage the RA may accept additional fee to cover excess effected in terms of duty saved amount even beyond one month but within two years of the excess import taking place subject to payment of composition fee of Rs. 5000/- per authorization.

Decision: The Committee deliberated upon the case and decided to **recommend to DG for relaxation under Para 2.58 of FTP, 2015-20** for condonation of procedural lapse of delay of more than a month in payment of fee for excess duty saved amount as envisaged in the Para 5.16(a) of HBP 2015-20, subject to payment of composition fee of Rs. 5000/- per year per authorization and to the condition that the excess utilization is not more than 10% of duty saved mentioned in the subject EPCG authorization. The party is also required to pay an additional composition fee of Rs. 5,000/- for each year of delay beyond the expiry of the period of two years of the excess import taking place for the subject authorization.
The permission is subject to the installation of capital goods as per policy.
This has the approval of DG, DGFT.

Case No. 40. Kundu Textile, Kolkata

F. No. HQREPCGPRAPP00396991AM22

Subject: Request for extension of 1st Block in respect of EPCG Authorization No. 0230011087 dated 24.02.2016 under 0% Concessional duty- reg.

The firm has stated that they could not complete 50% EO in the 1st Block within stipulated time period i.e. 4 years due to the unfavourable market situation of the Textiles sector. The firm has requested for extension of 1st Block in order to fulfil their EO against the above license.

Decision: The applicant may approach the RA concerned in terms of PN No. 03 dated 13.04.2022 for consideration of its request.

Case No. 41. Microns India, Haryana

F. No. HQRPRCAPPLY00224764AM22

Subject: Request for-

i. **Allowing shifting of CGs due to change in address of business premises**
ii. **Condonation for delay in issuance of Installation certificate issued by Central Excise**
iii. **Consideration of deemed export without mentioning EPCG authorization No. on ARE-3**

In respect of EPCG Authorization No. 0530137860 dated 14.01.2005 and 0530149813 dated 15.09.2009 under 05% and 03% Concessional duty respectively.

i. The firm has stated that they had shifted their company which was on rent to their own business premises along with plant and machinery. The firm further stated that they had made amendments in IEC regarding change of address but due to oversight they did not make amendments in EPCG license.

ii. The firm stated that they had made supply to 100% EOU through ARE-3 covered under deemed export and some supply made through direct export but due to lack of knowledge had not mentioned the EPCG authorization No. on Shipping Bill in case of direct export and ARE-3 in case of Deemed Export. The firm further stated that they had not considered the above said shipping Bill and ARE-3 against any other EPCG authorization and are liable to pay any government dues.
iii. As per Installation Certificate issued by Central Excise dated 12.01.2016, machinery was installed on 07.12.2010 with BOE No. 824839 dated 17.03.2005 and 719721 dated 14.10.2009.

Decision: Committee decided to defer the case.

Case No. 42. Millenium Knit Pvt. Ltd., Ahmedabad

F. No. HQREPCGPRAPP00374583AM22

Subject: Request for extension of EOP for two years from date of endorsement in respect of EPCG Authorization Nos. 0830002711 dated 27.11.2008 and 0830002593 dated 27.11.2008 under 3% Concessional duty - reg.

The firm has stated in the year 2010, there was a dispute between the board of directors of the company, due to which Mr. Dilip Narpatlal Shah who is the only technical person on board having experience of 15-20 years in textile industry at that time was removed, after which he filed a petition No. 49 of 2011 before Company Law Board, Mumbai Bench for operation and mismanagement against the company and its directors. However, upon coming into force of Insolvency and Bankruptcy Code, 2016 (IBC), the aforesaid Company Petition came to be transferred to the Hon'ble NCLT, Ahmedabad Bench and the same came to re-numbered as Transfer Petition No.19/397-398/NCLT/AHM/2016 (New). The litigation has run in court for more than 8 years and now directors have amicably resolved court issues and have made a settlement for the sake of the company, hence in order to save the company and to repay the liabilities by completing export obligation of DGFT from EPCG license, the Board of directors have come together to pray to the DGFT in order to give them time to complete their export liabilities.

Decision: The Committee went through the statements made by the applicant and noted that the applicant has not submitted any cogent reason/justification in support of any genuine hardship faced by them. Accordingly, the Committee decided to **reject** the request.

Case No. 43. Ratnaveer Metals Limited, Vadodara

F. No. HQREPCGPRAPP00000037AM23

Subject: Request for Condonation of Delay in submission of Installation Certificate in respect of EPCG Authorization No. 3430003133 dated 24.11.2017 under 0% Concessional Duty.
As per ANF-2D, the firm has stated that they had submitted the Installation certificate and received a query to contact EPCG Committee in DGFT HQ to get the approval from them since the firm has not submitted the installation certificate in 18 months time. The firm further stated that earlier as per Para 5.3.1 of HBP (2009-2014) there was no limit for submission of the installation

certificate and the time limit was only for the installation of Machinery and it has been pointed out that in the past some RAs have accepted the installation certificate even at the time of redemption.

Decision: The Committee went through the statements made by the applicant and noted that the applicant has not submitted any cogent reason/justification in support of any genuine hardship faced by them. Accordingly, the Committee decided to **reject** the request.

Case No. 44. Gomatesh Granites

F. No. HQRPRCAPPLY00367945AM22

Subject: Request for condonation of non-mentioning of EPCG Authorization number on shipping bills against EPCG Authorization No. 0730010088 dt 09.05.2011 under 3% Concessional Duty -reg.

i. The firm has stated that they could not mention EPCG Authorization number on Shipping Bills (SB. Nos. 7128378 dt 16.01.2012, 7127860 dt 16.01.2012 and 7128290 dt 16.01.2012) due to clerical error by the CHA staff while preparation of documents. Therefore, the application was rejected by RA, Chennai due to submission of free shipping bills.
ii. The firm has further stated that they do not get any other export incentive benefits such as DEPB, DBK other than discharge of export obligation against the above EPCG authorization under HS Code No. 25161100 and Granite Exports do not qualify for any export benefits other than EPCG License which is an additional incentive given to all other exporters, other that advance license, DEPB, MEIS, DBK etc.

Decision: The Committee went through the statements made by the applicant and noted that the applicant has not submitted any cogent reason/justification in support of any genuine hardship faced by them. Accordingly, the Committee decided to **reject** the request.

Case No. 45. Sabari Textiles Pvt. Ltd, Chennai

F. No. HQREPCGPRAPP00000045AM23

Subject: Request for Condonation of Delay in submission of Installation Certificate in respect of EPCG Authorization No. 0430012564 dated 04.06.2013 under 0% Concessional Duty.

i. The firm had not submitted requisite EPCG Authorization and Installation Certificate for the above mentioned subject and was requested to furnish the same vide Deficiency letter dated 16.06.2022. Please find attached requisite copy of EPCG Authorization, Installation Certificate and D/L issued by RA submitted by the firm in reply to D/L.
ii. The firm has stated that the installation certificate was received from A.K.B & Co. on 21.08.2013 and was not submitted to RA Chennai in stipulated time due to unavoidable reasons. The firm further stated that they had submitted the Installation Certificate to RA Chennai on 15.03.2022.

Decision: The Committee went through the statements made by the applicant and noted that the applicant has not submitted any cogent reason/justification in support of any genuine hardship faced by them. Accordingly, the Committee decided to **reject** the request.

Case No. 46. Sitaram India Limited, Bhilwara Rajasthan

F. No. HQREPCGPRAPP00000299AM23

Subject: Request for EOP Extension from 7th year to 9th year up to 22.05.2023 in respect of EPCG Authorization No. 1330004146 dated 23.05.2014 under 0% Concessional Duty.

i. The firm has stated that they have received 1st Block Extension and EOP Extension for 1 year up to 22.05.2021 i.e. from 6th year to 7th year from RA.
ii. The firm has further stated that they have fulfilled EO to the capacity of US$ 1733611.13 within their extended EOP up to 22.05.2021 and completed EO up to US$ 2708994.67 up to 16.05.2022. The firm has added that they couldn't fulfill their 100% EO in stipulated time period due to worldwide recessions, Covid-19 pandemic and worldwide affected economies and hence require EOP Extension from 7th year up to 9th year of their EOP i.e. 22.05.2023.

Decision: The Committee deliberated upon the case and decided to **recommend to DG for relaxation under Para 2.58 of FTP, 2015-20** to allow Condonation of delay in approaching RA for EOP extension for 1 year (from 7 year to 8 year) on payment of composition fee or imposition of additional export obligation in terms of Para 5.11 of HBP 2009-14 and late fee of Rs. 10,000/-. Benefits of EO extensions as per Public Notice -67 dated 31.3.2020 and Notification No-27 dated 23.9.2022 may also be granted by RA, if a request is made by the authorization holder.

The above relaxation is also subject to the following conditions:-

i. The proper installation certificate has been submitted within time limits as specified, and
ii. The payment of balance duties of Customs plus interest on unfulfilled EO since the extended EOP (from 7 to 8 year) has already expired.

This has the approval of DG, DGFT.

Case No. 47. The Empire Textiles, Tirupur

F. No. HQREPCGPRAPP00000316AM23

Subject: Request for Consideration of Third Party Exports under CSP (Common Service Provider) EPCG scheme as acceptance of EO in respect of EPCG Authorization No. 3230019109 dated 21.05.2013 under 0% Concessional Duty.

The firm has stated that they imported and installed circular knitting machines and the license was obtained with EO product Knitted readymade garments. The firm further stated that they had completed exports by doing knitted readymade garments through third party namely Fashion First, Tirupur worth US$ 200730 wherein completion of EO is within EOP and submitted requisite documents for EODC against which RA Coimbatore issued them a Deficiency Letter.
RA Coimbatore issued a Deficiency Letter dated 02.08.2021 to the firm stating the following :-

From the documents submitted the firm had done knitting only and received charges for knitting. After knitting the firm had supplied the goods to 3 rd party exporter who had converted knitted fabrics into readymade garments and exported the same. As the firm has not manufactured Readymade garments and received charges for knitting only the export of such readymade garments made by third party cannot be taken for EO fulfillment as per Para 5.5(a) of FTP 2009-14. In view of the same, RA Coimbatore requested the firm to pay duty with interest to regularize the case.

The firm has stated that they are a service provider and do knitting job to the exporters and have submitted the receptive supply of invoice of job work and Local BRC as per Appendix 22B and complied the requirements as per Para 5.5(a). the firm further stated that knitting job for exported product are done by them by using imported CGs and respective knitting bill along with local BRC are submitted as linkage documents for acceptance of EO.

Decision: After deliberation on the request of the firm, the Committee decided to **defer** the case with the directions to call for a report from RA whether the subject EPCG Authorization has been issued for in the capacity of Common Service Provider?

Case No. 48. MVM Trade Link, Tamil Nadu

F. No. HQREPCGPRAPP00133594AM22

Subject: Request for payment of duty saved amount with interest if applicable from the applicant's IGST Input Credit in respect of EPCG Authorization No. 3230017383 dated 21.11.2011 under 03% Concessional Duty –reg.

i. The firm has stated that they imported used weaving machinery and paid IGST for weight based valuation which was more than market price. Hence, the firm has requested for payment of their duty saved amount with interest if applicable from their IGST Input Credit against the above license.
ii. The firm was informed them that there is no provision to pay Customs duty outstanding from IGST account. This is beyond the scope of EPCG Committee. So regularize the default on payment of Customs duties plus interest.
iii. Now, the firm has stated that they have arranged to fulfill their export obligation through third party exports before expiry date and submitted Shipping Bill Summary by attachment. Unfortunately there is change of Family Management of the third party and they are unable to get necessary documents for redemption against our EPCG Authorization number 3230017383 dated 21.11.2011. Therefore, the firm has requested to grant redemption to them against their EPCG license.

Decision: The Committee went through the statements made by the firm and noted that the applicant has not submitted any cogent reason/justification or any genuine hardship faced by them and accordingly, the Committee decided to **reject** the request of the applicant.

Case No. 49. Super Screws Pvt. Ltd., Faridabad

F. No. HQREPCGPRAPP00141626AM22

Subject: Request for 1st Block Extension for EPCG Authorization No. 0530163924 dated 10.12.2014 under 0% Concessional duty - reg.

As per the ANF-2D form, the firm has stated that they could not apply within the stipulated time.e.90 days for Block-wise extension due to Pandemic. The firm has requested for extension of 1st Block to fulfill their EO against 5 EPCG Authorizations.

Decision: The Committee deliberated upon the case and decided to **recommend to DG for relaxation under Para 2.58 of FTP, 2015-20** to allow extension in block-wise EOP, as the firm could not apply to RA within the prescribed time period. This shall be subject to payment of 2% composition fee 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 2009-14 and late fee of Rs. 10,000/-.

The above relaxation is also subject to the condition that the proper installation certificate has been submitted within time limits as specified in FTP/HBP.

This has the approval of DG, DGFT.

Case No. 50. Bio-Med Healthcare Products Pvt. Ltd., Faridabad

F. No. HQREPCGPRAPP00357269AM22

Subject: Request for condonation for late submission of Installation certificate against EPCG Authorization No. 0530169191 dated 15.12.2016 under 0% Concessional duty- reg.

As per Installation certificate issued by Chartered Engineer**,** only date of Inspection i.e. 26.06.2017 mentioned but not mentioned issue date of Installation certificate**,** CGs were imported on 06.05.2017 and installed at the premises on 15.06.2017. The firm has stated that they had fulfilled EO as well as AEO within the prescribed time and applied for redemption against above EPCG Authorization to CLA, New Delhi on 27.12.2021. In response, CLA, New Delhi issued D/L dated 25.01.2022 and informing as under:

> *"You have submitted Installation certificate beyond the prescribed time period as per 5.04 of HBP 2015-20. You are again advice to approach to DGFT for condonation for procedural lapse in submission of installation certificate. You are also advice to submit Annexure as per column no. 7 of revised ANF5B as same is not submitted with application."*

The firm has further stated that the CGs were installed in the factory premise and installation certificate was obtained from Chartered Engineer within 6 months from date of import but they could not submit installation certificate within stipulated time period due to procedural lapse in terms of Para 5.04 of HBP 2015-20.

Decision: The Committee went through the statements made by the firm and noted that the applicant has not submitted any cogent reason/justification or any genuine hardship faced by them and accordingly, the Committee decided to **reject** the request of the applicant.

Case No. 51. Mealdom LLP, Gurgaon

F. No. HQRPRCAPPLY00397131AM22

Subject: Request for change the export item from "food product" to "food services" against EPCG Authorization Nos. 0530165501 dated 29.07.2015 and 0530166213 dated 02.11.2015 under 0% Concessional duty- reg.

The firm has stated that as per the EPCG Authorization, they have to Export food products using machine against the import. However, they used the imported equipment for creating recipes for making consistent Indian home-style recipes by an innovative automated process, as their business model was based on individually packed low-cost Indian home-style meals. Due to sudden demonetization in November- 2016, their business completely collapsed, despite large investing big in automated equipment and recipe development. As a result, they were compelled to stop operations. Still, they succeeded in exporting technology/ recipes for stabilized Indian meals using automated equipment to some interested parties in UK and USA (Total Export Obligation was USD 49072.36 and Export Obligation fulfilled USD 49156.68).

Decision: The Committee went through the statements made by the firm and noted that the applicant has not submitted any cogent reason/justification or any genuine hardship faced by them and accordingly, the Committee decided to **reject** the request of the applicant.

Case No. 52. A-Star Creations LLP, Noida

F. No. HQREPCGPRAPP00204499AM22

Subject: Request for Condonation of Delay in submission of Installation Certificate in respect of EPCG Authorization No. 0530170213 dated 03.05.2017 under 0% Concessional duty- reg.

The firm has stated that they could not submit IC on time due to unawareness about policy procedures regarding certificate submission. The firm had approached to RA for Redemption which advised them to approach DGFT for condonation in delay in submitting Installation Certificate.

Decision: The Committee went through the statements made by the firm and noted that the applicant has not submitted any cogent reason/justification or any genuine hardship faced by them and accordingly, the Committee decided to **reject** the request of the applicant.

Case No. 53. Ankita Agro and Food Processing Private Limited, New Delhi

F. No. HQREPCGPRAPP00399596AM22

Subject: Request for regularization of delay in submission of Installation Certificate in respect of EPCG Authorization No. 0530166818 dated 25.01.2016 under 0% Concessional Duty.

i. The firm has stated that they couldn't fulfill their 100% EO in both blocks due to slowdown in global market and Covid-19 pandemic wherein they couldn't make any exports against the said EPCG License. The firm stated that they are looking for agents to ensure their 100% EO completion in the next 2 years.

ii. The firm further stated that they couldn't submit their Installation Certificate to CLA New Delhi within 6 months from the date of import as per provisions of FTP and hence requested for regularization of its late submission.

Decision: The Committee went through the statements made by the firm and noted that the applicant has not submitted any cogent reason/justification or any genuine hardship faced by them and accordingly, the Committee decided to **reject** the request of the applicant.

<u>Case No. 54. AAPT Distribution Pvt. Ltd., Chennai</u>

F. No. HQRPRCAPPLY00399341AM22

Subject: Request for extension of EOP for further 1 year i.e. beyond 6+2 years in respect of EPCG Authorization No. 0430012883 dated 29.08.2013 under 0% Concessional duty - reg.

As per ANF-2D, the firm has stated that due to non-fulfillment of Export obligation, they have been received a SCN no.04/21/021/00557/AM14 dated 07.03.2022 under Sec-14 for action under Sec-9(2).Further, the firm has stated that they have achieved the required Turnover of Rs. 11,27,66,666.66 in all the previous financial years starting from FY 14-15 to the current FY 21-22. The firm has also stated that their supporting manufacturer i.e. M/s. Sai Sri Granites was not operational for the past few years and after the outbreak of the COVID pandemic and the lockdown situation, their position to support them deteriorated. This is one of the main reasons for not meeting their EO of US$ 36,775.22 and including the supporting manufacturer's name in the shipping bill. The firm has further stated that they have at present been informed by their supporting manufacturer that they have resumed their operations and are in a position to support them for the fulfillment of their EO. Therefore, the firm has requested to extend the EOP by 1 year in order to fulfill their EO.

Decision: The Committee went through the statements made by the firm and noted that the applicant has not submitted any cogent reason/justification or any genuine hardship faced by them in support of request for EO extension from 8th to 9th year and accordingly, the Committee decided to **reject** the request of the applicant.

<u>Case No. 55. RK Fiber, Maharashtra</u>

F. No. HQRPRCAPPLY00002617AM23

Subject: Request for EOP Extension for 2 years up to 16.08.2022 (8+2 years) in respect of EPCG Authorization No. 5030000253 dated 16.08.2012 under 03% Concessional Duty.

The firm has stated that due to unawareness of the policy provisions, industry not being completely aware about the rules and regulations of the EPCG and its repercussions for defaulting regarding the procedures for fulfilling EO they couldn't apply for EOP extension within the stipulated time period. The firm further stated that they have new export orders to be fulfilled and are applying for EOP for 2 years as they couldn't fulfill their 100% EO in stipulated time.

Decision: The Committee deliberated upon the case and decided to **recommend to DG for relaxation under Para 2.58 of FTP, 2015-20** to allow Condonation of delay in approaching RA for EO extension for 2 years (from 8th year to 10th year) on payment of composition fee or imposition of additional export obligation in terms of Para 5.11 of HBP 2009-14 and late fee of Rs. 10,000/-.

The above relaxation is also subjected to the condition that the proper installation certificate has been submitted within time limits as specified in FTP/HBP.

This has the approval of DG, DGFT.

Case No. 56. Narmada Textile, Maharashtra

F. No. HQRPRCAPPLY00002115AM23
Subject: Request for 2 years EOP Extension up to 11.06.2022 (8+2 years) in respect of EPCG Authorization No. 5030000217 dated 11.06.2012 under 03% Concessional Duty.

The firm has stated that due to unawareness of the policy provisions, industry not being completely aware about the rules and regulations of the EPCG and its repercussions for defaulting regarding the procedures for fulfilling EO they couldn't apply for EOP extension within the stipulated time period. The firm further stated that they have new export orders to be fulfilled and are applying for EOP for 2 years as they couldn't fulfill their 100% EO in stipulated time.

Decision: The Committee deliberated upon the case and decided to **recommend to DG for relaxation under Para 2.58 of FTP, 2015-20** to allow condonation of delay in approaching RA for EO extension for 2 years (from 8th year to 10th year) on payment of composition fee or imposition of additional export obligation in terms of Para 5.11 of HBP 2009-14 and late fee of Rs. 10,000/-.

The above relaxation is also subjected to the condition that the proper installation certificate has been submitted within time limits as specified in FTP/HBP.

This has the approval of DG, DGFT.

Case No. 57. Tex Bond Nonwovens, Chennai

F. No. HQRPRCAPPLY00087691AM21

Subject: Requested for reconsideration of Post-EPCG Authorization No.0430012699 dated 08.07.2013 which is not/ cannot be transmitted online to Customs EDI System.

The firm vide letter dated 29.08.2018 had requested to consider Exports under Post Export EPCG Scheme in respect of EPCG authorization No. 0430012699 dated 08.07.2013. The firm stated that they have been instructed by RA, Chennai that their request of Post EPCG Duty Credit Scripts cannot be considered since they have not complied with the condition prescribed in point no.7 of Customs Circular No.10/2013 Dated 06-03-2013.

The matter was considered in 11th Meeting of AM-21 of the EPCG Committee held on 22.12.2021 and deferred to call the applicant for Personal Hearing to explain the case.

The matter was considered in 1st Meeting of AM-23 of the EPCG Committee held on 04.05.2022. After hearing the submissions of the representative of the firm, it was decided to defer the case for further examination by the Department of Revenue. The comments from DoR are awaited.

Decision: The Committee deliberated upon the case and decided that a fresh reference be made to Department for Revenue for their comments.

Case No. 58. Swan Energy Ltd. (SEL), Gujarat

F. No. HQRPRCAPPLY00122391AM22

Subject: Request for EOP Extension till 31.12.2023 for EPCG License No. 330025407 dated 08.03.2010 including complete relaxation on late penalty under 03% Concessional Duty-reg.

The firm has stated that it owns 3 EPCG Authorization licenses for importing textile machinery and capital goods out of which it could complete EO for only 2 out of the 3 licenses provided. The firm issued reasons for non-fulfillment like:-

i. India's export of textiles and clothing being severely affected by trade conflicts of US and China, EU's struggle with Brexit, geopolitical tensions in Middle East etc.
ii. Slowdown of trade growth in 2018 due to new tariffs and retaliatory measures along with volatility in financial markets and stringent monetary conditions
iii. Sharp decline in yarn exports, cheaper imports, state and central taxes on export and high interest rates in Indian Textile Market. Further issues listed were volatility in cotton prices and currency values, piling up stocks and production cut, severe liquidity crunch and government arrears such as TUF subsidies, MEIS, GST refund etc.
iv. Affects of Covid-19 on India's export market

Based on above submissions, the firm has requested for EOP Extension till 31.12.2023 with complete relaxation on late penalty keeping in mind their genuineness as they have completed their EO against other 2 EPCG licenses.

DRI, Lucknow has issued letter on 21.12.2021 stating that DRI has taken up the investigation matter and requested that no relaxation request of importer may be entertained in respect of the EPCG License No: 0330025407 dated 08.03.2010, without confirmation from their office.

Decision: The Committee deliberated upon the case and decided to **defer** it with the request that DoR will furnish the present status of investigation which was instituted by the DRI.

<u>Case No. 59. Vetrivel Explosives Private Limited, Salem, Tamil Nadu (formerly known as Sivasakthi Hotels Private Limited)</u>

F. No. HQRPRCAPPLY00390097AM22

Subject: Request for EOP Extension for 2 years up to 30.12.2023 in respect of EPCG Authorization No. 3230016349 dated 19.02.2011 under 03% Concessional Duty.

i. The firm (M/s Vetrivel Explosives Pvt. Ltd. formerly in the name of M/s Sivasakhi Hotels Pvt. Ltd, amalgamated against the High Court of Madras Order) has stated that M/s Sivasakhi Hotels Pvt. Ltd. had obtained 11 EPCG Authorizations and were able to fulfill EO 100% in stimulated time period for 9 respective Authorizations and receive EODC for the same. Out of the remaining 2 Authorizations, the firm has requested for EOP Extension for 2 years for Authorization No. 3230016349 dated 19.02.2011.

ii. The firm further stated that they were unable to fulfill EO 100% against the subject authorization within stimulated time period due to Covid-19 pandemic as they earn foreign exchange only by providing hotel services to foreigners.

Decision: After due deliberation on the request of the firm, the Committee decided to **defer** the case for further examination.

<u>Case No. 60. Jaiprakash Associates Limited, Noida</u>

F. No. 01/60/162/490/AM20/PRC

Subject: Relaxation in Policy Procedure for not being able to submit original document / documents as prescribed in Exim Policy and procedures for redemption of following 49 EPCG Licenses.

1. 0530135438 dated 29.12.2003
2. 0530135566 dated 15.01.2004
3. 0530135992 dated 31.03.2004
4. 0530136600 dated 16.07.2004
5. 0530136610 dated 20.07.2004
6. 0530137116 dated 01.10.2004
7. 0530137052 dated 24.09.2004
8. 0530137548 dated 08.12.2004
9. 0530137973 dated 02.02.2005
10. 0530138136 dated 25.02.2005
11. 0530138277 dated 21.03.2005
12. 0530138341 dated 30.03.2005
13. 0530138342 dated 30.03.2005
14. 0530138848 dated13.06.2005
15. 0530139260 dated 05.08.2005
16. 0530139291 dated 10.08.2005
17. 0530139065 dated 08.07.2005
18. 0530139134 dated 15.07.2005
19. 0530139324 dated 18.08.2005
20. 0530139323 dated 18.08.2005

21. 0530139443 dated 02.09.2005
22. 0530139844 dated 03.11.2005
23. 0530140117 dated 23.12.2005
24. 0530140144 dated27.12.2005
25. 0530140651 dated14.03.2006
26. 0530140543 dated27.02.2006
27. 0530140542 dated27.02.2006
28. 0530141465 dated12.07.2006
29. 0530141464 dated12.07.2006
30. 0530141689 dated 08.08.2006
31. 0530141267 dated 09.06.2006
32. 0530141435 dated 07.07.2006
33. 0530141376 dated 22.06.2006
34. 0530141375 dated 22.06.2006
35. 0530141387 dated 23.06.2006
36. 0530141690 dated 08.08.2006
37. 0530141688 dated 08.08.2006
38. 0530141710 dated 10.08.2006
39. 0530141711 dated 10.08.2006
40. 0530141783 dated 23.08.2006
41. 0530142018 dated 25.09.2006
42. 0530142141 dated 16.10.2006
43. 0530142555 dated 04.12.2006
44. 0530142648 dated 19.12.2006
45. 0530143036 dated 08.02.2007
46. 0530142681 dated 21.12.2006
47. 0530142767 dated 03.01.2007
48. 0530143209 dated 05.03.2007
49. 0530143208 dated 05.03.2007

Decision: The Committee deliberated upon the case and decided to **defer** the case and place it again in committee meeting with revised agenda based on new submissions made by the applicant.

<u>Case No. 61. Vedanta Limited, New Delhi</u>

F. No. HQREPCGPRAPP00000450AM23

Subject: Request for condonation of delay in installation of Capital Goods beyond the stipulated time period of 18 months in respect of EPCG Authorization No. 0530143636 dated 11.05.2007 under 03% Concessional Duty.

i. The firm has submitted separate application for each authorization. The firm vide this application dated 09.09.2022 has requested for Condonation of Delay in Installation of Capital Goods beyond the stipulated time period of 18 months (Installation Certificate issued by Central Excise) in respect of EPCG Authorization No. 0530143636 dated 11.05.2007.
ii. The firm has stated that all the CGs have been installed in their factory but the installations have been made beyond stipulated time period of 18 months from the date of completion of

imports. The firm further stated that delay in installing the CGs has been due to logistics and technical issues and therefore the delay is inadvertent.

Decision: After deliberation on the request of the firm, the Committee decided to **defer** the case with the directions to call for Clarification from the firm regarding delay in Installation of Capital Goods.

Case No. 62. Vedanta Limited, New Delhi

F. No. HQREPCGPRAPP00000451AM23

Subject: Request for Condonation of Delay in Installation of Capital Goods beyond the stipulated time period of 18 months in respect of EPCG Authorization No. 0530143637 dated 11.05.2007 under 05% Concessional duty.

i. The firm has submitted separate application for each authorization. The firm vide this application dated 09.09.2022 has requested for condonation of delay in installation of Capital Goods beyond the stipulated time period of 18 months (Installation Certificate issued by Central Excise) in respect of EPCG Authorization No. 0530143637 dated 11.05.2007 under 05% Concessional duty.
ii. The firm has stated that all the CGs have been installed in their factory but the installations have been made beyond stipulated time period of 18 months from the date of completion of imports. The firm further stated that delay in installing the CGs has been due to logistics and technical issues and therefore the delay is inadvertent.

Decision: After deliberation on the request of the firm, the Committee decided to **defer** the case with the directions to call for justification from the firm regarding delay in Installation of Capital Goods beyond 18 months.

Case No. 63. Vedanta Limited, New Delhi

F. No. HQREPCGPRAPP00000461AM23

Subject: Request for Condonation of Delay in Installation of Capital Goods beyond the stipulated time period of 18 months in respect of EPCG Authorization No. 0530149327 dated 07.07.2009 under 03% Concessional duty.

i. The firm has submitted separate application for each authorization. The firm vide this application dated 09.09.2022 has requested for Condonation of Delay in Installation of Capital Goods beyond the stipulated time period of 18 months (Installation Certificate issued by Central Excise) in respect of EPCG Authorization No. 0530149327 dated 07.07.2009 under 03% Concessional duty.
ii. The firm has stated that all the CGs have been installed in their factory but the installations have been made beyond stipulated time period of 18 months from the date of completion of imports. The firm further stated that delay in installing the CGs has been due to logistics and technical issues and therefore the delay is inadvertent.

Decision: After deliberation on the request of the firm, the Committee decided to **defer** the case with the directions to call for justification from the firm regarding delay in Installation of Capital Goods beyond 18 months.

Case No. 64. Vedanta Limited, New Delhi

F. No. HQREPCGPRAPP00000455AM23

Subject: Request for Condonation of Delay in Installation of Capital Goods beyond the stipulated time period of 18 months in respect of EPCG Authorization No. 0530155362 dated 27.04.2011 under 03% Concessional duty.

i. The firm has submitted separate application for each authorization. The firm vide this application dated 09.09.2022 has requested for Condonation of Delay in Installation of Capital Goods beyond the stipulated time period of 18 months (Installation Certificate issued by Central Excise) in respect of EPCG Authorization No. 0530155362 dated 27.04.2011 under 03% Concessional duty.
ii. The firm has stated that all the CGs have been installed in their factory but the installations have been made beyond stipulated time period of 18 months from the date of completion of imports. The firm further stated that delay in installing the CGs has been due to logistics and technical issues and therefore the delay is inadvertent.

Decision: After deliberation on the request of the firm, the Committee decided to **defer** the case with the directions to call for justification from the firm regarding delay in Installation of Capital Goods beyond 18 months.

Case No. 65. Vedanta Limited, New Delhi

F. No. HQREPCGPRAPP00000453AM23

Subject: Request for Condonation of Delay in Installation of Capital Goods beyond the stipulated time period of 18 months (Installation Certificate issued by Central Excise) in respect of EPCG Authorization No. 0530154748 dated 09.02.2011 under 03% Concessional duty.

i. The firm has submitted separate application for each authorization. The firm vide this application dated 09.09.2022 has requested for Condonation of Delay in Installation of Capital Goods beyond the stipulated time period of 18 months (Installation Certificate issued by Central Excise) in respect of EPCG Authorization No. 0530154748 dated 09.02.2011 under 03% Concessional duty.
ii. The firm has stated that all the CGs have been installed in their factory but the installations have been made beyond stipulated time period of 18 months from the date of completion of imports. The firm further stated that delay in installing the CGs has been due to logistics and technical issues and therefore the delay is inadvertent.

Decision: After deliberation on the request of the firm, the Committee decided to **defer** the case with the directions to call for justification from the firm regarding delay in Installation of Capital Goods beyond 18 months.

Case No. 66. Vedanta Limited, New Delhi

F. No. HQREPCGPRAPP00000456AM23

Subject: Request for Condonation of Delay in Installation of Capital Goods beyond the stimulated time period of 18 months (Installation Certificate issued by Central Excise) in respect of EPCG Authorization No. 0530150182 dated 27.10.2009 under 03% Concessional duty.

i. The firm has submitted separate application for each authorization. The firm vide this application dated 09.09.2022 has requested for Condonation of Delay in Installation of Capital Goods beyond the stimulated time period of 18 months (Installation Certificate issued by Central Excise) in respect of EPCG Authorization No. 0530150182 dated 27.10.2009 under 03% Concessional duty.
ii. The firm has stated that all the CGs have been installed in their factory but the installations have been made beyond stipulated time period of 18 months from the date of completion of imports. The firm further stated that delay in installing the CGs has been due to logistics and technical issues and therefore the delay is inadvertent.

Decision: After deliberation on the request of the firm, the Committee decided to **defer** the case with the directions to call for justification from the firm regarding delay in Installation of Capital Goods beyond 18 months.

Case No. 67. Vedanta Limited, New Delhi

F. No. HQREPCGPRAPP00000457AM23

Subject: Request for Condonation of Delay in Installation of Capital Goods beyond the stimulated time period of 18 months (Installation Certificate issued by Central Excise) in respect of EPCG Authorization No. 0530149094 dated 02.06.2009 under 03% Concessional duty.

i. The firm has submitted separate application for each authorization. The firm vide this application dated 09.09.2022 has requested for Condonation of Delay in Installation of Capital Goods beyond the stimulated time period of 18 months (Installation Certificate issued by Central Excise**)** in respect of EPCG Authorization No. 0530149094 dated 02.06.2009 under 03% Concessional duty.
ii. The firm has stated that all the CGs have been installed in their factory but the installations have been made beyond stipulated time period of 18 months from the date of completion of imports. The firm further stated that delay in installing the CGs has been due to logistics and technical issues and therefore the delay is inadvertent.

Decision: After deliberation on the request of the firm, the Committee decided to **defer** the case with the directions to call for justification from the firm regarding delay in Installation of Capital Goods beyond 18 months.

Case No. 68. Vedanta Limited, New Delhi

F. No. HQREPCGPRAPP00000458AM23

Subject: Request for Condonation of Delay in Installation of Capital Goods beyond the stimulated time period of 18 months in respect of EPCG Authorization No. 0530144084 dated 11.07.2007 under 05% Concessional duty.

i. The firm has submitted separate application for each authorization. The firm vide this application dated 09.09.2022 has requested for Condonation of Delay in Installation of Capital Goods beyond the stimulated time period of 18 months (Installation Certificate issued by Central Excise) in respect of EPCG Authorization No. 0530144084 dated 11.07.2007 under 05% Concessional duty.
ii. The firm has stated that all the CGs have been installed in their factory but the installations have been made beyond stipulated time period of 18 months from the date of completion of imports. The firm further stated that delay in installing the CGs has been due to logistics and technical issues and therefore the delay is inadvertent.

Decision: After deliberation on the request of the firm, the Committee decided to **defer** the case with the directions to call for justification from the firm regarding delay in Installation of Capital Goods beyond 18 months.

Case No. 69. Vedanta Limited, New Delhi

F. No. HQREPCGPRAPP00000459AM23

Subject: Request for Condonation of Delay in Installation of Capital Goods beyond the stimulated time period of 18 months in respect of EPCG Authorization No. 0530150262 dated 06.11.2009 under 03% Concessional duty.

i. The firm has submitted separate application for each authorization. The firm vide this application dated 09.09.2022 has requested for Condonation of Delay in Installation of Capital Goods beyond the stimulated time period of 18 months (Installation Certificate issued by Central Excise) in respect of EPCG Authorization No. 0530150262 dated 06.11.2009 under 03% Concessional duty.
ii. The firm has stated that all the CGs have been installed in their factory but the installations have been made beyond stipulated time period of 18 months from the date of completion of imports. The firm further stated that delay in installing the CGs has been due to logistics and technical issues and therefore the delay is inadvertent.

Decision: After deliberation on the request of the firm, the Committee decided to **defer** the case with the directions to call for justification from the firm regarding delay in Installation of Capital Goods beyond 18 months.

<u>Case No. 70. Vedanta Limited, New Delhi</u>

F. No. HQREPCGPRAPP00000460AM23

Subject: Request for Condonation of Delay in Installation of Capital Goods beyond the stimulated time period of 18 months in respect of EPCG Authorization No. 0530150383 dated 17.11.2009 under 03% Concessional duty.

i. The firm has submitted separate application for each authorization. The firm vide this application dated 09.09.2022 has requested for Condonation of Delay in Installation of Capital Goods beyond the stimulated time period of 18 months (Installation Certificate issued by Central Excise) in respect of EPCG Authorization No. 0530150383 dated 17.11.2009 under 03% Concessional duty.
ii. The firm has stated that all the CGs have been installed in their factory but the installations have been made beyond stipulated time period of 18 months from the date of completion of imports. The firm further stated that delay in installing the CGs has been due to logistics and technical issues and therefore the delay is inadvertent.

Decision: After deliberation on the request of the firm, the Committee decided to **defer** the case with the directions to call for justification from the firm regarding delay in Installation of Capital Goods beyond 18 months.

<u>Case No. 71. Vedanta Limited, New Delhi</u>

F. No. HQREPCGPRAPP00000462AM23

Subject: Request for Condonation of Delay in Installation of Capital Goods beyond the stimulated time period of 18 months (Installation Certificate issued by Central Excise) in respect of EPCG Authorization No. 0530154463 dated 07.01.2011 under 03% Concessional duty.

i. The firm has submitted separate application for each authorization. The firm vide this application dated 09.09.2022 has requested for Condonation of Delay in Installation of Capital Goods beyond the stimulated time period of 18 months (Installation Certificate issued by Central Excise) in respect of EPCG Authorization No. 0530154463 dated 07.01.2011 under 03% Concessional duty.
ii. The firm has stated that all the CGs have been installed in their factory bu the installations have been made beyond stipulated time period of 18 months from the date of completion of imports. The firm further stated that delay in installing the CGs has been due to logistics and technical issues and therefore the delay is inadvertent.

Decision After deliberation on the request of the firm, the Committee decided to **defer** the case with the directions to call for justification from the firm regarding delay in Installation of Capital Goods beyond 18 months.

Case No. 72. Vedanta Limited, New Delhi

F. No. HQREPCGPRAPP00000463AM23

Subject: Request for Condonation of Delay in Installation of Capital Goods beyond the stimulated time period of 18 months (Installation Certificate issued by Central Excise) in respect of EPCG Authorization No. 0530151079 dated 29.01.2010 under 03% Concessional duty.

i. The firm has submitted separate application for each authorization. The firm vide this application dated 09.09.2022 has requested for Condonation of Delay in Installation of Capital Goods beyond the stimulated time period of 18 months (Installation Certificate issued by Central Excise) in respect of EPCG Authorization No. 0530151079 dated 29.01.2010 under 03% Concessional duty.
ii. The firm has stated that all the CGs have been installed in their factory but the installations have been made beyond stipulated time period of 18 months from the date of completion of imports. The firm further stated that delay in installing the CGs has been due to logistics and technical issues and therefore the delay is inadvertent.

Decision: After deliberation on the request of the firm, the Committee decided to **defer** the case with the directions to call for justification from the firm regarding delay in Installation of Capital Goods beyond 18 months..

Case No. 73. Vedanta Limited, New Delhi

F. No. HQREPCGPRAPP00000452AM23

Subject: Request for Condonation of Delay in Installation of Capital Goods beyond the stipulated time period of 18 months (Installation Certificate issued by Central Excise) in respect of EPCG Authorization No. 0530154511 dated 12.01.2011 under 03% Concessional duty.

i. The firm has submitted separate application for each authorization. The firm vide this application dated 09.09.2022 has requested for Condonation of Delay in Installation of Capital Goods beyond the stipulated time period of 18 months (Installation Certificate issued by Central Excise) in respect of EPCG Authorization No. 0530154511 dated 12.01.2011 under 03% Concessional duty.
ii. The firm has stated that all the CGs have been installed in their factory but the installations have been made beyond stipulated time period of 18 months from the date of completion of imports. The firm further stated that delay in installing the CGs has been due to logistics and technical issues and therefore the delay is inadvertent.

Decision: After deliberation on the request of the firm, the Committee decided to **defer** the case with the directions to call for justification from the firm regarding delay in Installation of Capital Goods beyond 18 months.

Case No. 74. Kals Breweries Pvt. Ltd., Chennai

F. No. HQREPCGPRAPP00330220AM22

Subject: Requests against EPCG Authorization No. 0430010690 dated04.01.2012 under 03% Concessional duty:

i. **Extension of EOP in respect of EPCG Authorization.**
ii. **Inclusion of Additional export products such as Whiskey, Brandy, Rum, Gin and Vodka against above EPCG Authorization.**
iii. **Fulfillment of Export Obligation by the Group Companies including KALS Distilleries Private Limited, KALS Distilleries Carnataka Pvt. Ltd., &KALS Beverages Pvt. Ltd. against above EPCG Authorization.**

The matter was examined by EPCG Committee in its meeting dated 09.03.2022 wherein it was decided to ask party clarification along with documentary evidence whether, export restriction/ban was imposed prior to issuance of EPCG authorization or after issuance of EPCG authorization and defer the case for want of above information.

M/s KALS Breweries Pvt. Ltd vide their letter dated 30.03.2022 had submitted that Authorization No. 0430010690 dated 04.01.2012 was obtained during AM12 and was issued prior to the Ban/Restrictions imposed by the Government of Tamil Nadu during 2013 vide G.O. No. 5 dated 22.02.2013 of the Department of Prohibition and Excise, Government of Tamil Nadu.

The firm vide e-mail dated 04.04.2022 has submitted documentary evidence as per decision of EPCG Committee meeting held on 09.03.2022 in respect of 2nd and 3rd request. The firm has stated that the State Government allowed exports from 25.10.2017 onwards. In this regard, the firm has submitted copy of Order No. G.O. (Ms.) No. 31 dated 26.10.2017 issued by Home, Prohibition and Excise (III) Department, Chennai wherein *"the government have accepted the proposal of the Commissioner of Prohibition and Excise and decided to amend the said Tamil Nadu Brewery Rules, 1983. Accordingly, the following Notification will be published in the Tamil Nadu Government Gazette Extraordinary, dated the 26th day of October 2017."*

The representative of the firm had appeared before the 7th EPCG Committee Meeting to explain their case. It was informed that they have also submitted additional submissions in support of their request. The Committee had heard the submissions of the representative of the firm and had decided to defer the case for the next EPCG Committee Meeting for further examination.

Decision: After deliberation on the request of the firm, the Committee decided to **defer** the case with the directions to call for documents and events in chronological order from the firm.

Case No. 75. Kals Breweries Pvt. Ltd., Chennai

F. No. HQREPCGPRAPP00330215AM22

Subject: Requests against EPCG Authorization No. 0430010008 dated 24.06.2011 under 03% Concessional duty:

i. **Extension of EOP in respect of EPCG Authorization.**
ii. **Inclusion of Additional export products such as Whiskey, Brandy, Rum, Gin and Vodka against above EPCG Authorization.**

iii. **Fulfillment of Export Obligation by the Group Companies including KALS Distilleries Private Limited, KALS Distilleries Carnataka Pvt. Ltd., &KALS Beverages Pvt. Ltd. against above EPCG Authorization.**

The matter was examined by EPCG Committee in its meeting dated 09.03.2022 wherein it was decided to ask party clarification along with documentary evidence whether, export restriction/ban was imposed prior to issuance of EPCG authorization or after issuance of EPCG authorization and defer the case for want of above information.

M/s KALS Breweries Pvt. Ltd vide their letter dated 30.03.2022 has submitted that Authorization No. 0430010008 dated 24.06.2011 was obtained during AM12 and was issued prior to the Ban/Restrictions imposed by the Government of Tamil Nadu during 2013 vide G.O. No. 5 dated 22.02.2013 of the Department of Prohibition and Excise, Government of Tamil Nadu.

The firm vide e-mail dated 04.04.2022 has submitted documentary evidence as per decision of EPCG Committee meeting held on 09.03.2022 in respect of 2nd and 3rd request. The firm has stated that the State Government allowed exports from 25.10.2017 onwards. In this regard, the firm has submitted copy of Order No. G.O.(Ms.) No. 31 dated 26.10.2017 issued by Home, Prohibition and Excise (III) Department, Chennai wherein *"the government have accepted the proposal of the Commissioner of Prohibition and Excise and decided to amend the said Tamil Nadu Brewery Rules, 1983. Accordingly, the following Notification will be published in the Tamil Nadu Government Gazette Extraordinary, dated the 26th day of October 2017."*

The representative of the firm had appeared before the 7th EPCG Committee Meeting to explain their case. It was informed that they have also submitted additional submissions in support of their request. The Committee had heard the submissions of the representative of the firm and had decided to defer the case for the next EPCG Committee Meeting for further examination.

Decision: After deliberation on the request of the firm, the Committee decided to **defer** the case with the directions to call for documents and events in chronological order from the firm.

Case No. 76. Kals Breweries Pvt. Ltd., Chennai

F. No. HQREPCGPRAPP00330216AM22

Subject: Requests against EPCG Authorization No. 0430010212 dated 19.08.2011 under 03% Concessional duty:

i. **Extension of EOP in respect of EPCG Authorization.**
ii. **Inclusion of Additional export products such as Whiskey, Brandy, Rum, Gin and Vodka against above EPCG Authorization.**
iii. **Fulfillment of Export Obligation by the Group Companies including KALS Distilleries Private Limited, KALS Distilleries Carnataka Pvt. Ltd., &KALS Beverages Pvt. Ltd. against above EPCG Authorization.**

The matter was examined by EPCG Committee in its meeting dated 09.03.2022 wherein it was decided to ask party clarification along with documentary evidence whether, export restriction/ban was imposed prior to issuance of EPCG authorization or after issuance of EPCG authorization and defer the case for want of above information.

M/s KALS Breweries Pvt. Ltd vide their letter dated 30.03.2022 has submitted that Authorization No. 0430010212 dated 19.08.2011 was obtained during AM12 and was issued prior to the Ban/Restrictions imposed by the Government of Tamil Nadu during 2013 vide G.O. No. 5 dated 22.02.2013 of the Department of Prohibition and Excise, Government of Tamil Nadu.

The firm vide e-mail dated 04.04.2022 has submitted documentary evidence as per decision of EPCG Committee meeting held on 09.03.2022 in respect of 2nd and 3rd request. The firm has stated that the State Government allowed exports from 25.10.2017 onwards. In this regard, the firm has submitted copy of Order No. G.O.(Ms.) No. 31 dated 26.10.2017 issued by Home, Prohibition and Excise (III) Department, Chennai wherein *"the government have accepted the proposal of the Commissioner of Prohibition and Excise and decided to amend the said Tamil Nadu Brewery Rules, 1983. Accordingly, the following Notification will be published in the Tamil Nadu Government Gazette Extraordinary, dated the 26th day of October 2017."*

The representative of the firm had appeared before the 7th EPCG Committee Meeting to explain their case. It was informed that they have also submitted additional submissions in support of their request. The Committee had heard the submissions of the representative of the firm and had decided to defer the case for the next EPCG Committee Meeting for further examination.

Decision: After deliberation on the request of the firm, the Committee decided to **defer** the case with the directions to call for documents and events in chronological order from the firm.

Case No. 77. Kals Breweries Pvt. Ltd., Chennai

F. No. HQREPCGPRAPP00330217AM22

Subject: Requests against EPCG Authorization No. 0430010213 dated 19.08.2011 under 03% Concessional duty:

i. **Extension of EOP in respect of EPCG Authorization.**
ii. **Inclusion of Additional export products such as Whiskey, Brandy, Rum, Gin and Vodka against above EPCG Authorization.**
iii. **Fulfillment of Export Obligation by the Group Companies including KALS Distilleries Private Limited, KALS Distilleries Carnataka Pvt. Ltd., &KALS Beverages Pvt. Ltd. against above EPCG Authorization.**

The matter was examined by EPCG Committee in its meeting dated 09.03.2022 wherein it was decided to ask party clarification along with documentary evidence whether, export restriction/ban was imposed prior to issuance of EPCG authorization or after issuance of EPCG authorization and defer the case for want of above information.

M/s KALS Breweries Pvt. Ltd vide their letter dated 30.03.2022 has submitted that Authorization No. 0430010213 dated 19.08.2011 was obtained during AM12 and was issued prior to the Ban/Restrictions imposed by the Government of Tamil Nadu during 2013 vide G.O. No. 5 dated 22.02.2013 of the Department of Prohibition and Excise, Government of Tamil Nadu.

The firm vide e-mail dated 04.04.2022 has submitted documentary evidence as per decision of EPCG Committee meeting held on 09.03.2022 in respect of 2nd and 3rd request. The firm has stated that the State Government allowed exports from 25.10.2017 onwards. In this regard, the firm has submitted copy of Order No. G.O.(Ms.) No. 31 dated 26.10.2017 issued by Home, Prohibition and Excise (III) Department, Chennai wherein "*the government have accepted the proposal of the Commissioner of Prohibition and Excise and decided to amend the said Tamil Nadu Brewery Rules, 1983. Accordingly, the following Notification will be published in the Tamil Nadu Government Gazette Extraordinary, dated the 26th day of October 2017.*"

The representative of the firm had appeared before the 7th EPCG Committee Meeting to explain their case. It was informed that they have also submitted additional submissions in support of their request. The Committee had heard the submissions of the representative of the firm and had decided to defer the case for the next EPCG Committee Meeting for further examination.

Decision: After deliberation on the request of the firm, the Committee decided to **defer** the case with the directions to call for documents and events in chronological order from the firm.

<u>Case No. 78. Kals Breweries Pvt. Ltd., Chennai</u>

F. No. HQREPCGPRAPP00330219AM22

Subject: Requests against EPCG Authorization No. 0430010334 dated 27.09.2011 under 03% Concessional duty:

i. **Extension of EOP in respect of EPCG Authorization.**
ii. **Inclusion of Additional export products such as Whiskey, Brandy, Rum, Gin and Vodka against above EPCG Authorization.**
iii. **Fulfillment of Export Obligation by the Group Companies including KALS Distilleries Private Limited, KALS Distilleries Carnataka Pvt. Ltd., &KALS Beverages Pvt. Ltd. against above EPCG Authorization.**

The matter was examined by EPCG Committee in its meeting dated 09.03.2022 wherein it was decided to ask party clarification along with documentary evidence whether, export restriction/ban was imposed prior to issuance of EPCG authorization or after issuance of EPCG authorization and defer the case for want of above information.

M/s KALS Breweries Pvt. Ltd vide their letter dated 30.03.2022 has submitted that Authorization No. 0430010334 dated 27.09.2011 was obtained during AM12 and was issued prior to the Ban/Restrictions imposed by the Government of Tamil Nadu during 2013 vide G.O. No. 5 dated 22.02.2013 of the Department of Prohibition and Excise, Government of Tamil Nadu.

The firm vide e-mail dated 04.04.2022 has submitted documentary evidence as per decision of EPCG Committee meeting held on 09.03.2022 in respect of 2nd and 3rd request. The firm has stated that the State Government allowed exports from 25.10.2017 onwards. In this regard, the firm has submitted copy of Order No. G.O.(Ms.) No. 31 dated 26.10.2017 issued by Home, Prohibition and Excise (III) Department, Chennai wherein "*the government have accepted the proposal of the Commissioner of Prohibition and Excise and decided to amend the said Tamil Nadu Brewery Rules, 1983. Accordingly, the following Notification will be published in the Tamil Nadu Government Gazette Extraordinary, dated the 26th day of October 2017.*"

The representative of the firm had appeared before the 7th EPCG Committee Meeting to explain their case. It was informed that they have also submitted additional submissions in support of their request. The Committee had heard the submissions of the representative of the firm and had decided to defer the case for the next EPCG Committee Meeting for further examination.

Decision: After deliberation on the request of the firm, the Committee decided to **defer** the case with the directions to call for documents and events in chronological order from the firm.

Case No. 79. Kals Breweries Pvt. Ltd., Chennai

F. No. HQREPCGPRAPP00330079AM22

Subject: Requests against EPCG Authorization No. 0430010205 dated 18.08.2011 under 03% Concessional duty:

i. **Extension of EOP in respect of EPCG Authorization.**
ii. **Inclusion of Additional export products such as Whiskey, Brandy, Rum, Gin and Vodka against above EPCG Authorization.**
iii. **Fulfillment of Export Obligation by the Group Companies including KALS Distilleries Private Limited, KALS Distilleries Carnataka Pvt. Ltd., &KALS Beverages Pvt. Ltd. against above EPCG Authorization.**

The matter was examined by EPCG Committee in its meeting dated 09.03.2022 wherein it was decided to ask party clarification along with documentary evidence whether, export restriction/ban was imposed prior to issuance of EPCG authorization or after issuance of EPCG authorization and defer the case for want of above information.

M/s KALS Breweries Pvt. Ltd vide their letter dated 30.03.2022 has submitted that Authorization 0430010205 dated 18.08.2011 was obtained during AM12 and was issued prior to the Ban/Restrictions imposed by the Government of Tamil Nadu during 2013 vide G.O. No. 5 dated 22.02.2013 of the Department of Prohibition and Excise, Government of Tamil Nadu.

The firm vide e-mail dated 04.04.2022 has submitted documentary evidence as per decision of EPCG Committee meeting held on 09.03.2022 in respect of 2nd and 3rd request. The firm has stated that the State Government allowed exports from 25.10.2017 onwards. In this regard, the firm has submitted copy of Order No. G.O.(Ms.) No. 31 dated 26.10.2017 issued by Home, Prohibition and Excise (III) Department, Chennai wherein *"the government have accepted the proposal of the Commissioner of Prohibition and Excise and decided to amend the said Tamil Nadu Brewery Rules, 1983. Accordingly, the following Notification will be published in the Tamil Nadu Government Gazette Extraordinary, dated the 26th day of October 2017."*

The representative of the firm had appeared before the 7th EPCG Committee Meeting to explain their case. It was informed that they have also submitted additional submissions in support of their request. The Committee had heard the submissions of the representative of the firm and had decided to defer the case for the next EPCG Committee Meeting for further examination.

Decision: After deliberation on the request of the firm, the Committee decided to **defer** the case with the directions to call for documents and events in chronological order from the firm.

Case No. 80. Kals Breweries Pvt. Ltd., Chennai

F. No. HQREPCGPRAPP00330234AM22

Subject: Requests against EPCG Authorization No. 0430012415 dated 08.05.2013 under 03% Concessional duty:

i. **Extension of EOP in respect of EPCG Authorization.**
ii. **Inclusion of Additional export products such as Whiskey, Brandy, Rum, Gin and Vodka against above EPCG Authorization.**
iii. **Fulfillment of Export Obligation by the Group Companies including KALS Distilleries Private Limited, KALS Distilleries Carnataka Pvt. Ltd., &KALS Beverages Pvt. Ltd. against above EPCG Authorization.**

The matter was examined by EPCG Committee in its meeting dated 09.03.2022 wherein it was decided to ask party clarification along with documentary evidence whether, export restriction/ban was imposed prior to issuance of EPCG authorization or after issuance of EPCG authorization and defer the case for want of above information.

M/s KALS Breweries Pvt. Ltd vide their letter dated 30.03.2022 has submitted that Authorization was obtained during AM12 and was issued prior to the Ban/Restrictions imposed by the Government of Tamil Nadu during 2013 vide G.O. No. 5 dated 22.02.2013 of the Department of Prohibition and Excise, Government of Tamil Nadu.

The firm vide e-mail dated 04.04.2022 has submitted documentary evidence as per decision of EPCG Committee meeting held on 09.03.2022 in respect of 2nd and 3rd request. The firm has stated that the State Government allowed exports from 25.10.2017 onwards. In this regard, the firm has submitted copy of Order No. G.O.(Ms.) No. 31 dated 26.10.2017 issued by Home, Prohibition and Excise (III) Department, Chennai wherein *"the government have accepted the proposal of the Commissioner of Prohibition and Excise and decided to amend the said Tamil Nadu Brewery Rules, 1983. Accordingly, the following Notification will be published in the Tamil Nadu Government Gazette Extraordinary, dated the 26th day of October 2017."*

The representative of the firm had appeared before the 7th EPCG Committee Meeting to explain their case. It was informed that they have also submitted additional submissions in support of their request. The Committee had heard the submissions of the representative of the firm and had decided to defer the case for the next EPCG Committee Meeting for further examination.

Decision: After deliberation on the request of the firm, the Committee decided to **defer** the case with the directions to call for documents and events in chronological order from the firm.

Case No. 81. Kals Breweries Pvt. Ltd., Chennai

F. No. HQREPCGPRAPP00330218AM22

Subject: Requests against EPCG Authorization No. 0430010330 dated23.09.2011 under 03% Concessional duty:

i. **Extension of EOP in respect of EPCG Authorization.**
ii. **Inclusion of Additional export products such as Whiskey, Brandy, Rum, Gin and Vodka against above EPCG Authorization.**

iii. **Fulfillment of Export Obligation by the Group Companies including KALS Distilleries Private Limited, KALS Distilleries Carnataka Pvt. Ltd., &KALS Beverages Pvt. Ltd. against above EPCG Authorization.**

The matter was examined by EPCG Committee in its meeting dated 09.03.2022 wherein it was decided to ask party clarification along with documentary evidence whether, export restriction/ban was imposed prior to issuance of EPCG authorization or after issuance of EPCG authorization and defer the case for want of above information.

M/s KALS Breweries Pvt. Ltd vide their letter dated 30.03.2022 has submitted that Authorization No. 0430010330 dated 23.09.2011 was obtained during AM12 and was issued prior to the Ban/Restrictions imposed by the Government of Tamil Nadu during 2013 vide G.O. No. 5 dated 22.02.2013 of the Department of Prohibition and Excise, Government of Tamil Nadu.

The firm vide e-mail dated 04.04.2022 has submitted documentary evidence as per decision of EPCG Committee meeting held on 09.03.2022 in respect of 2nd and 3rd request. The firm has stated that the State Government allowed exports from 25.10.2017 onwards. In this regard, the firm has submitted copy of Order No. G.O.(Ms.) No. 31 dated 26.10.2017 issued by Home, Prohibition and Excise (III) Department, Chennai wherein *"the government have accepted the proposal of the Commissioner of Prohibition and Excise and decided to amend the said Tamil Nadu Brewery Rules, 1983. Accordingly, the following Notification will be published in the Tamil Nadu Government Gazette Extraordinary, dated the 26th day of October 2017."*

The representative of the firm had appeared before the 7th EPCG Committee Meeting to explain their case. It was informed that they have also submitted additional submissions in support of their request. The Committee had heard the submissions of the representative of the firm and had decided to defer the case for the next EPCG Committee Meeting for further examination.

Decision: After deliberation on the request of the firm, the Committee decided to **defer** the case with the directions to call for documents and events in chronological order from the firm.

Case No. 82. Maithan Alloys Ltd., Kolkata

F. No. HQRPRCAPPLY00255971AM22

Subject: Request to issue a clarification to RA that such decision do not have retrospective effect and redemption of EPCG to be done based on records of procurement and completion of EO in respect of EPCG authorization No. 0230003219 dated 29.04.2008 under 03% Concessional Duty.

i. The firm stated that they are engaged in manufacturing of Ferro Alloys falling under CTH 72023000 & 72021100. The company had applied for EPCG license for import of Capital Goods which were used in setting up of a captive power plant. The electricity generated from the said plant was captively consumed for the production of Ferro Alloys.
ii. During the year 2009, Para 5.1A was notified on 27.08.2009 under Chapter 5 of HBP 2009-14 which prohibits the issue of zero duty EPCG scheme for import of capital goods relating to the exporter of Ferro Alloys classified under CTH 7202.

iii. PN No. 01(RE2012)/2009-14 dated 05.06.20212 notified new HBP 2009-14 wherein the Para 5.1A prohibiting the import of capital goods under EPCG scheme for export of certain products was deleted.

iv. Subsequent to the aforesaid amendment, a clarification regarding import of Capital Goods under EPCG Scheme for setting up Captive Power Plant for the manufacture of Ferro Alloys was sought by RA, Kolkata from DGFT, Headquarters vide letter dated 22.11.2012.

v. DGFT HQ, Delhi vide letter dated 10.01.2013 instructed the Joint DGFT, Kolkata to reject all such cases wherein EPCG license has been applied for import of capital goods for Captive Power Plant for manufacture of Ferro Alloys.

vi. DGFT vide Notification No. 07(RE-2013)/2009-14 dated 18.04.2013 amended Para 5.1 of FTP, 2009-14 with immediate effect to provide that Import of Capital Goods for production/transmission of energy (power) will no longer be available under EPCG Scheme.

vii. DGFT HQ vide Trade Notice No. 08/2013 dated 17.12.2013 had also invited suggestions from all the RAs of DGFT with respect to amendment as per Notification No. 07(RE-2013)/2009-14 dated 18.04.2013.

viii. Thereafter, the company on completion of its EO under the aforesaid license applied for the redemption before RA, Kolkata on 21.06.2019.

ix. However, RA, Kolkata issued a letter dated 18.11.2020 wherein the application for redemption was rejected on the basis of letter dated 10.01.2013 issued by DGFT HQ.

x. The firm is stating that the amendment prescribed under Notification No. 07(RE-2013)/2009-14 dated 18.04.2013 was made effective on immediate basis i.e. from 18.04.2013 and not on retrospective basis. Therefore, rejection of redemption of EPCG license issued prior to the said period under FTP 2004-2009 is not correct.

xi. The clarification was issued by the DGFT HQ vide letter dated 10.01.2013. However, the captioned EPCG license was applied in 2008 and grated by RA, DGFT on 24.04.2008 itself without raising any query in relation to the items to be imported under the aforesaid licenses.

xii. An amendment made in the year 2013 was prospective in nature and not a retrospective and hence same was not applicable to EPCG license taken in the year 2008.

xiii. Accordingly, decision of RA, Kolkata rejecting EPCG license and asking firm to make payment of Customs duty along with interest was challenged before the Office of Addl. DGFT and the same is pending.

xiv. In the meanwhile, the company was put into the DEL by RA, Kolkata vide order dated 28.05.2021 on the ground of non-payment of customs duty demanded along with interest under the captioned license.

xv. The firm has stated that it has not imported any capital goods under the captioned license, rather, it has procured all the capital goods domestically against valid Invalidation Letter issued by RA.

xvi. Further, the company has fulfilled EO under the captioned license; hence, there is no violation of with respect to non fulfillment of terms and conditions of the Authorization. Therefore, there is no reason to believe that condition of the authorization has not been complied with.

xvii. The firm further stated the reason that it is a settled law that licenses issued under FTP would be governed by the policy conditions in force on the date of issuance of the license and any subsequent amendment in the FTP cannot affect the entitlement under licenses as it existed on the date of its issuance. Therefore, EPCG Licenses obtained by the company would not be hit by the embargo imposed vide Notification dated 18.04.2013 and Capital Goods which were used in setting up of a captive power plant could be imported by the Notice under the EPCG licenses.

Decision: After due deliberation, the Committee decided to **withdraw** the case as this is clarification not a policy relaxation and directed for further examination of the case on file.

Case No. 83. Reliance Industries Limited, Mumbai

F. No. HQREPCGPRAPP00000434AM23

Subject: Request for Extension in relaxation granted in 10th EPCG Committee Meeting of AM-22 for re-exporting the defective spare for repairs up to March, 2023 in respect of EPCG Authorization No. 0330042130 dated 16.07.2015.

i. Earlier the firm i.e. Reliance Industries Limited, Mumbai vide F. No. HQREPCGPRAPP00147645AM22 had requested to condone the delay in re-exporting defective capital goods spares for repair purpose for above mentioned license.

ii. The case was considered in the 10th Meeting of EPCG Committee of AM-22 held on 08.12.2021 wherein the following decision was taken :-

> *"Committee deliberated on the case and decided to recommend to DG for relaxation under Para 2.58 of FTP, 2015- 20 for extension of time limit for re-export the defective spare for repairs. The applicant shall re-export the defective spare within 3 months from date of uploading the minutes and the repaired spare has be brought back within 6 months after repairs thereafter. The applicant shall give necessary Bond/Legal Undertaking to Customs to this effect at the time of re-export."*

iii. Now, the firm vide application dated 07.09.2022 has requested for Extension in relaxation granted in 10th EPCG Committee Meeting of AM-22 for re-exporting the defective spare for repairs up to March, 2023. The firm has made following submissions in support of its request :-

- Although they had re-exported the item within 3 months of allowed period they could not re-import the item within the allowed 6 months time as their overseas vendor was facing severe lack of manpower in the workshop (illness, corona, etc.), due to which the Inspection report could not be prepared but have ensured to do their best to do the quick check and finish the repair work in next 6-7 months.

- The supplier has ensured that they will do the repair and will ship the item before March, 2023 and hence requested to seek extension from the authorities to re-import the item up to March, 2023. The firm has enclosed the supplier letter for reference and has requested to grant extension for re-import of item till March, 2023.

Decision: The Committee deliberated on the case and decided to **recommend to DG for relaxation under Para 2.58 of FTP, 2015-20** for extension of time limit up to March, 2023 for re-import of the defective spare which have been exported for repairs.

This has the approval of DG, DGFT.

[DGFT= Directorate General of Foreign Trade, DG = Director General, FTP, = Foreign Trade Policy, HBPv1 = Handbook of Procedure Vol. I, EO = Export Obligation, EODC = Export Obligation Discharge Certificate, EOP = Export Obligation Period, B.O.E. =Bill of Entry, EPCG = Export Promotion Capital Goods, RA = Regional Authority, BG = Bank Guarantee, FFE = Free Foreign Exchange, IEC = Importer Exporter Code, DoR = Department of Revenue, IEM = Industrial Entrepreneurs Memorandum, RCMC = Registration-cum-Membership-Certificate.].

The meeting ended with a vote of thanks to the Chair

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