Date of Uploading- 22.11.2023

MINUTES OF 6th MEETING OF AM-24 OF THE EPCG COMMITTEE HELD UNDER THE CHAIRMANSHIP OF SHRI AKASH TANEJA, ADDITIONAL DIRECTOR GENERAL OF FOREIGN TRADE AT 11.30 AM ON 26.10.2023.

Sixth Meeting for AM-24 of the EPCG Committee was held on 26.10.2023 at 11.30 AM under the chairmanship of Shri Akash Taneja, Additional Director General of Foreign Trade in Room No. 116 at Vanijya Bhawan, New Delhi. Following officers attended the meeting:-

i. Shri Sandeep Poonia, OSD, Department of Revenue
ii. Shri Randheep Thakur, Joint Director General of Foreign Trade, DGFT
iii. Shri Rajesh Malhotra, Deputy Director General of Foreign Trade, DGFT

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

Case No.	Firm's Name	Page No.
1	Calprin Ads Private Limited, Kolkata	3
2	Gopalakrishna Textile Mills Private Limited, Bangalore	3
3	Dharampal Satyapal Ltd, New Delhi	3 – 4
4	Mahasakthi Bio Enercon Pvt. Ltd., Coimbatore	4
5	S.E. Power Limited, Vadodara	4 – 5
6	Yutaka Autoparts India Private Limited, Bhiwadi	5
7	Shakkthi Ohmkaara Spinners, Tamil Nadu	5 – 6
8	Northern Aromatics Private limited, Ludhiana	6
9-10	Star Cement Meghalaya Limited, Kolkata	6 - 9
11	Arvind Limited, Ahmadabad	9
12-17	Nipro India Corporation Private Limited, Pune	9 – 15
18	Omniplast Packaging Private Limited, Haryana	15 – 16
19	Krishna International, Jalandhar	16 – 17
20	G.G. Fashions, Salem (Tamil Nadu)	17-18

21	Sri Bhagyalakshmi Enterprises, Bangalore	18
22	Parkar Communications Private Limited, Mumbai	19
23	Mitu Textile, West Bengal	20
24	Sahu Exports Private Limited, Noida	20 – 21
25	SLN Hitech Laser, Bangalore	21
26	Ranjana Rayasing Naik, Pune	21
27	Yesman Infin Private Limited, Mumbai	22
28	Class India Pvt. Ltd., Ropar (Punjab)	22 – 23
29	Bharat Heavy Electricals Limited, New Delhi	23
30	Premier Energies Limited, Telangana	23-24
31	Mulberry Silks Limited, Bangalore	24
32-33	Gujarat Narmada Valley Fertilizers & Chemicals Limited, Bharuch (Gujarat)	24-27
34	Omni Plast Private Limited, Kolkata	27
35	RSB India Ltd., Bhiwadi, Rajasthan	27 – 28
36	Jai Bajrang Agrofarm Pvt. Ltd., Rohtas (Bihar)	28-29
37	Arcelor Mittal Nippon Steel India Limited, Mumbai	29-30
38	Dispocarve Containers, Chhattisgarh	30 -32
39	Ashwini Rajendra Naik, Sangli (Maharashtra)	32-33
40	Tata Metaliks Di Pipes Limited, Kolkata	33
41	Tata Motors Limited, Mumbai	33-34
42	Arun Plasto Moulders (India)Pvt. Ltd., Chennai	34
43	Gangaur Textile Pvt. Ltd., Surat	34
44	Twarit Cotton Testing, Indore	35
45-48	Tulip Granites Private Limited, Hyderabad	35 -36

49	Shree Mahalaxmi Cotton Ginning & Pressing Industries, Andhra Pradesh	37
50	ITC Limited, New Delhi	38
51	Tata Metaliks Di Pipes Limited, Kolkata	38 - 39

<u>Case No- 1: Calprin Ads Private Limited, Kolkata</u>
F.No. HQREPCGPRAPP00000362AM23

Subject: Request for Condonation of delay in submission of Installation Certificate issued by Chartered Engineer in respect of EPCG Authorization No. 0230008253 dated 04.09.2012 under 0% Concessional Duty.

The request was examined by the EPCG Committee in its meeting held on 10.03.2023 and it was decided as under:-

> *"The Committee deliberated upon the case and decided to defer it as the applicant did not appear before EPCG Committee for Personal Hearing to explain their case."*

Decision: The Committee deliberated upon the case and decided to **defer** it again as the applicant did not appear before EPCG Committee for Personal Hearing to explain their case. It was decided that if the applicant does not appear on the next date of Personal hearing, the case will be decided based on the available records.

<u>Case No- 2: Gopalakrishna Textile Mills Private Limited, Bangalore</u>
F.No. HQRPRCAPPLY00003197AM23

Subject: Request for condonation of procedural lapse for not making endorsement of Group Company in respect of EPCG Authorization No. 0730007089 dated 19.06.2008 under 03% Concessional Duty.

The request was examined by the EPCG Committee in its meeting held on 10.03.2023 and it was decided as under :-

> *"The Committee deliberated upon the case and decided to defer it as the applicant did not appear before EPCG Committee for Personal Hearing to explain their case"*

Decision: The Committee deliberated upon the case and decided to **defer** it again as the applicant did not appear before EPCG Committee for Personal Hearing to explain their case. It was decided that if the applicant does not appear on the next date of Personal hearing, the case will be decided based on the available records.

<u>Case No- 3: Dharampal Satyapal Ltd, New Delhi</u>
F.No. HQREPCGPRAPP00000087AM23
01/36/218/159/AM-21/EPCG

Subject: Review application w.r.t. issuance of EPCG Authorization for the import items pertaining to "Green House Plant & its Foundation material", "Live Trees" & "Pots" like retractable roof cooling house/greenhouse, its foundation/installation materials, planting material (Bearer Plants) and pots (holding Bearer Plants), in terms of Appendix 5-F.

The request was examined by the EPCG Committee in its meeting held on 10.03.2023 and it was decided as under:-

> *"The Committee deliberated upon the case and decided to defer it as the applicant did not appear before EPCG Committee for Personal Hearing to explain their case."*

Decision: The Committee deliberated upon the case and decided to **defer** it again as the applicant did not appear before EPCG Committee for Personal Hearing to explain their case. It was decided that if the applicant does not appear on the next date of Personal hearing, the case will be decided based on the available records.

Case No- 4: Mahasakthi Bio Enercon Pvt. Ltd., Coimbatore
F.No. HQRPRCAPPLY00000912AM23

Subject:

a. **Request for extension of EOP for 4 years from the date of endorsement without any composition fees against 7 EPCG Authorizations.**
b. **Condonation of late submission of installation certificate against 7 EPCG Authorizations.**

i. **3230016432 dated 07.03.2011**
ii. **3230017027 dated 26.07.2011**
iii. **3230016378 dated 23.02.2011**
iv. **3230016337 dated 17.02.2011**
v. **3230016336 dated 17.02.2011**
vi. **3230016177 dated 17.01.2011**
vii. **3230016178 dated 17.01.2011**

The request was examined by the EPCG Committee in its meeting held on 10.03.2023 and it was decided as under:-

> *"The Committee deliberated upon the case and decided to defer it as the applicant did not appear before EPCG Committee for Personal Hearing to explain their case."*

Decision: The Committee deliberated upon the case and decided to **defer** it again as the applicant did not appear before EPCG Committee for Personal Hearing to explain their case. It was decided that if the applicant does not appear on the next date of Personal hearing, the case will be decided based on the available records.

Case No- 5: S.E. Power Limited, Vadodara
F.No. HQREPCGPRAPP00000562AM23

Subject: Review Application w.r.t. Request for EOP Extension up to 36 months from the date of endorsement in respect of EPCG Authorization No. 0530161909 dated 27.11.2013 under 0% Concessional Duty-reg.

The request was examined by the EPCG Committee in its meeting held on 10.03.2023 and it was decided as under:-

> *"The Committee deliberated upon the case and decided to defer it as the applicant did not appear before EPCG Committee for Personal Hearing to explain their case."*

Decision: The Committee deliberated upon the case and decided to **defer** it again as the applicant did not appear before EPCG Committee for Personal Hearing to explain their case. It was decided that if the applicant does not appear on the next date of Personal hearing, the case will be decided based on the available records.

Case No- 6: Yutaka Autoparts India Private Limited, Bhiwadi
F.No. HQREPCGPRAPP00000484AM23

Subject: Request for Waiver of Average Export Obligation in respect of EPCG Authorizations No. 0530169078 dated 02.12.2016 and 0530170068 dated 07.04.2017 under 0% Concessional Duty.

The firm stated that they manufacture, sell and market automobile parts. The firm obtained EPCG Authorizations in 2016-17 for import of capital goods for its project for manufacture and export of brakes, servo brakes and parts, silencer and exhaust system and parts.

2. The firm further stated that they couldn't maintain and fulfill their 100% AEO due to various reasons like drastic downfall in International Auto Market since 2017-18, increased cost of raw material, disrupted supply chains, non-availability of critical components, Covid-19 pandemic leading to declined demand and supply in auto industry further leading to sluggish market conditions.

3. The representative of the firm (Shri Rajiv Tuli, Advocate) appeared through Video Conferencing and made the following submissions:-

Applicant's statement: The firm has fulfilled the specific EO against the subject EPCG authorizations. However, the Average EO was not fulfilled by the company due to low demand of products in international market, drastic downfall in international auto market since 2017-18, increased raw material, disrupted supply chains, non-availability of critical components and COVID-19 pandemic.

Decision: The Committee went through the request made by the applicant and submissions of the representative of the firm in the PH.

The Committee observed that applicant has not submitted any cogent reason/justification in support of the request or any genuine hardship faced by them. Accordingly, the Committee decided to **reject** the request. The Committee advised the applicant to verify if they are covered under reliefs granted to the EPCG Authorisation holders due to COVID-19 pandemic and proceed accordingly.

Case No- 7: Shakkthi Ohmkaara Spinners, Tamil Nadu
F.No. HQREPCGPRAPP00000226AM24

Subject: Review Application w.r.t. Request for second EOP Extension for 2 years up to 19.12.2023 i.e. beyond 6+2 years in respect of EPCG Authorization No. 3230019820 dated 20.12.2013 under 0% Concessional Duty.

The applicant was granted an opportunity for Personal hearing but none appeared on their behalf.

Decision: The Committee deliberated upon the case and decided to **defer** it as the applicant did not appear before EPCG Committee for Personal Hearing to explain their case.

Case No- 8: Northern Aromatics Private limited, Ludhiana
F. No.HQREPCGPRAPP00000650AM23

Subject: Request for enhancement of the duty saved amount in respect of EPCG Authorization No. 0530175616 dated 24.01.2020 under 0% Concessional Duty.

The firm has stated that they were issued the subject EPCG License for the Duty saved amount for Rs. 20,37,888.60 (for the BCD portion only) as IGST paid in cash can be taken as input for GST returns (as per general provisions of GST Act). While availing duty saved for BCD portion only, the EO was kept lower -proportionate to the Duty saved. The firm further stated that at the time of application, entire documents like proforma invoice, catalogue, technical details etc. were submitted as required and accordingly, the EO imposed was 6 times i.e. Rs. 1,24,13,724/-. The firm made the entire import in single consignment by paying IGST portion in cash, as this portion would be taken as ITC for GST purpose.

2. Later, the firm came to know about the following provision of para 5.01(d) of the FTP, 2015-20 :-

Para 5.01 (d)

> *"In case Integrated Tax and compensation cess are paid in cash on imports under EPCG Incidence of the said integrated tax and compensation cess would not be taken for computation of net duty saved provided input tax credit is not availed."*

3. Further, the firm decided to go with the FTP provisions and started documentation with the CLA, Delhi for the enhancement of duty saved amount and EO accordingly. They had deposited the application fee for the enhancement in duty saved amount.

4. The representative of the firm (S/Shri Rajive Sindhi & Amit Bansal) appeared through Video Conferencing and made the following submissions:-

Applicant's statement: The firm has been issued the subject EPCG Authorization for the BCD amount only. They came to know about the provision of para 5.01(d) of FTP regarding input tax availment at a later stage. The firm then made application regarding enhancement of EO, as they have availed the input tax credit.

Decision: The Committee went through the request made by the applicant and submissions of the representative of the firm in the PH.

The Committee deliberated upon the case and observed that there is no policy relaxation required in this case. Accordingly, Committee decided to **remand** the case to CLA, Delhi for consideration of request for re-fixation of EO as per policy provisions**.**

Case No- 9: Star Cement Meghalaya Limited, Kolkata
F. No. HQREPCGPRAPP00000587AM23

Subject: Request to Allow consideration of 362 Shipping Bills from the period 01.08.2019 to 31.12.2020 for purpose of fulfillment of EO in respect of EPCG Authorization No. 0230005713 dated 02.09.2010 under 03% Concessional Duty.

The firm has stated that they were granted EPCG Authorization wherein the main country for exporting products of the company is Nepal and Panitanki LCS is the nearest Land Custom Station for export of the products. The firm was granted special permission by Principal Commissioner of Customs, Panitanki LCS under Naxalbari Customs Division to export under EPCG Scheme through Panitanki LCS on 30.05.2017. It has been further submitted as under :-

1. Vide Custom Notification dated 13.05.2019, Panitanki LCS has been converted to EDI Port and not notified in EPCG Scheme enabled port and hence Custom system is not allowing them to export under EPCG Scheme. They were granted special permission by Principal Commissioner of Customs, Kolkata on 24.07.2020 allowing exports under EPCG Scheme through Panitanki LCS.
2. Even after permission Customs authorities were not allowing export under EPCG Scheme due to which Panitanki LCS authority started giving endorsement certificate for exports made under free shipping bills for exports made on and after 24.07.2020 but refused to endorse export made from May, 2019 to July, 2020. Customs vide letter dated 05.05.2021 Panitanki LCS to issue endorsement of EPCG Authorization on Bill of Export under free shipping bills for the period 24.05.2019 to 24.07.2020 in terms of permission granted to the firm on 24.07.2020.
3. Panitanki LCS is not an EPCG enabled port and exports were allowed to them in terms of approval of Commissioner of Customs, Kolkata by allowing generating of free shipping bills.
4. The firm applied for redemption to RA Kolkata on 20.09.2021 and 01.12.2021 after payment of duty and interest on unfulfilled EO but were informed that free shipping bills will not be considered for fulfillment of EO under EPCG Scheme. The firm requested Customs Authority Kolkata for issuing clarification for conversion of free shipping bills to EPCG Shipping Bills. Customs Authority clarified on 20.04.2022 that the firm intended to make exports for said period from 24.05.2019 to 31.12.2020 towards fulfillment of EO and invariably mentioned their EPCG License No. in the export invoices but it was due to Customs automated EDI System that the shipping bills under EPCG Authorization reflected as “Free Shipping Bills” which was due to technical reasons in electronic system.

2. The representative of the firm (Shri Manoj Agarwal) appeared through Video Conferencing and made the following submissions:-

Applicant’s statement: It is evident from the communications of the Customs Authority that it was due to technical issues that the endorsement of the EPCG Authorization could not be reflected on the shipping bills and the company was allowed to export against the subject EPCG Authorization under free shipping bills only.

Decision: The Committee went through the request made by the applicant and submissions of the representative of the firm in the PH.

The Committee deliberated on the case and decided to **recommend to DG for relaxation under Para 2.59 of FTP 2023** to allow exports done by the applicant under EPCG Scheme through Panitanki LCS and accept the corresponding Shipping Bills, subject to the condition that all corresponding Shipping Bills have been endorsed by the respective Customs Authority for export under EPCG scheme.

This has the approval of the DG, DGFT.

<u>Case No- 10: Star Cement Meghalaya Limited, Kolkata</u>
F. No. HQREPCGPRAPP00000588AM23

Subject: Request to Allow Consideration of 89 Shipping Bills from the period 01.09.2020 to 30.11.2020 for purpose of fulfillment of EO in respect of EPCG Authorization No. 1630000012 dated 03.03.2011 under 03% Concessional Duty.

The firm has stated that they were granted 03% EPCG Authorization wherein the main country for exporting products of the Company is Nepal and Panitanki LCS is the nearest Land Custom Station for exportation of the products. The firm was granted special permission by Principal Commissioner of Customs, Panitanki LCS under Naxalbari Customs Division to export under EPCG Scheme through Panitanki LCS on 30.05.2017. It has been further submitted as under :-

1. Firm stated that vide Custom Notification dated 13.05.2019, Panitanki LCS has been converted to EDI Port and not notified in EPCG Scheme enable port and hence custom system is not allowing them to export under EPCG Scheme. Firm further stated that they were granted special permission by Principal Commissioner of Customs, Kolkata allowing exports under EPCG Scheme through Panitanki LCS on 24.07.2020.
2. The firm further stated that even after permission Customs authorities were not able to allow export under EPCG Scheme due to which Panitanki LCS authority started giving endorsement certificate for exports made under free shipping bills for exports made on and after 24.07.2020 but refused to endorse export made from May 2019 to July 2020. Customs vide letter dated 05.05.2021 and e-mail dated 09.09.2021 requested Panitanki LCS to issue endorsement of EPCG Authorization on Bill of Export under free shipping bills for the period 24.05.2019 to 24.07.2020 in terms of permission granted to the firm on 24.07.2020.
3. Panitanki LCS is not an EPCG enabled port and exports were allowed to them in terms of approval of Commissioner of Customs, Kolkata by allowing generating free shipping bills.
4. Application for redemption to RA Kolkata - firm stated that they applied for redemption for subject EPCG Authorization to RA Kolkata on 20.09.2021 wherein they were informed that free shipping bills will not be considered for fulfillment of EO under EPCG Scheme and hence requested Customs Authority Kolkata for issuing clarification for conversion of free shipping bills to EPCG Shipping Bills. Customs Authority intimated and clarified on 20.04.2022 that the firm intended to make exports for said period from 24.05.2019 to 31.12.2020 towards fulfillment of EO and invariably mentioned their EPCG License No. in the export invoices but it was due to Customs automated EDI System that the shipping bills under EPCG Authorization reflected as “Free Shipping Bills” which was due to technical reasons in electronic system.

2. The representative of the firm (Shri Manoj Agarwal) appeared through Video Conferencing and made the following submissions:-

Applicant's statement: It is evident from the communications of the Customs Authority that it was due to technical issues that the endorsement of the EPCG Authorization could not be reflected on the shipping bills and the company was allowed to export against the subject EPCG Authorization under free shipping bills only.

Decision: The Committee went through the request made by the applicant and submissions of the representative of the firm in the PH.

The Committee deliberated on the case and decided to **recommend to DG for relaxation under Para 2.59 of FTP 2023** to allow exports done by the applicant under EPCG Scheme through Panitanki LCS and accept the corresponding Shipping Bills, subject to the condition that all corresponding Shipping Bills have been endorsed by the respective Customs Authority for export under EPCG scheme.

This has the approval of the DG, DGFT.

Case No- 11: Arvind Limited, Ahmedabad
F. No. HQREPCGPRAPP00000014AM24

Subject:

i. **Request for transfer of EPCG Authorizations from M/s. Arvind Limited (IEC- 0888003421) to M/s. Arvind Technical Products Pvt. Ltd. (IEC- AAXCA9560B).**
ii. **Request to transfer CGs to their new company.**

The applicant was granted an opportunity for Personal hearing but none appeared on their behalf.

Decision: The Committee deliberated upon the case and decided to **defer** it as the applicant did not appear before EPCG Committee for Personal Hearing to explain their case.

Case No- 12: Nipro India Corporation Private Limited, Pune
F. No. HQREPCGPRAPP00000038AM24

Subject: Request for Condonation of delay in Installation of Capital Goods in respect of EPCG Authorization No. 3130010799 dated 23.05.2019 under 0% Concessional Duty.

The firm has stated that upon submission of Installation Certificate to RA, Pune, they received a DL requesting to approach DGFT Hqrs. for condonation of delay in installation of capital goods.

2. The firm further stated that they are setting up a new manufacturing facility for exporting dialyzer and the products are an entire manufacturing line. The capital goods imported are custom built and special purpose machines, specially manufactured for the Dialyzer Production.
3. Further, the installation of capital goods requires specialized services from foreign manufacturer, and during the pandemic period, the manufacturer was unable to send specialized engineers for installation of capital goods. The manufacturer could send engineers for installation in June, 2022 and the installation was completed in February, 2023.
4. As per Installation Certificate dated 25.03.2023 issued by Chartered Engineer which has been enclosed by the firm, the date of installation of CGs is as under :-

S. No.	BOE No.	Date of Installation
1	3531492 dated 05.06.2019	15.02.2023
2	3707050 dated 18.06.2019	15.02.2023
3	4678713 dated 28.08.2019	15.02.2023
4	4779155 dated 05.09.2019	15.02.2023
5	4467021 dated 13.08.2019	15.02.2023
6	5406510 dated 23.10.2019	15.02.2023
7	4865633 dated 12.09.2019	15.02.2023
8	4398321 dated 07.08.2019	15.02.2023
9	5407396 dated 23.10.2019	15.02.2023
10	6365297 dated 06.01.2020	15.02.2023
11	6106311 dated 17.12.2019	15.02.2023
12	6369482 dated 06.01.2020	15.02.2023
13	6457844 dated 13.01.2020	15.02.2023
14	6383740 dated 07.01.2020	15.02.2023

Decision: The Committee deliberated upon the case and **decided to recommend to DG for relaxation under Para 2.59 of FTP, 2023** to allow condonation of delay in installation of Capital Goods beyond the period of 18 months, subject to payment of composition fee of Rs. 10,000/- and submission of installation certificate. RA to verify that no ECA/DRI/Customs action is pending. The firm will not be eligible for grant of extension in EO period on this ground.

This has the approval of DG, DGFT.

Case No- 13: Nipro India Corporation Private Limited, Pune
F. No. HQREPCGPRAPP00000039AM24

Subject: Request for Condonation of delay in Installation of Capital Goods in respect of EPCG Authorization No. 3130010984 dated 25.10.2019 under 0% Concessional Duty.

The firm has stated that upon submission of Installation Certificate to RA, Pune, they received a DL requesting to approach DGFT Hqrs. for condonation of delay in installation of capital goods.

2. The firm further stated that they are setting up a new manufacturing facility for exporting dialyzer and the products are an entire manufacturing line. The capital goods imported are custom built and special purpose machines, specially manufactured for the Dialyzer Production.

3. Further, the firm stated that the installation of capital goods requires specialized services from foreign manufacturer, and during the pandemic period, the manufacturer was unable to send specialized engineers for installation of capital goods. The manufacturer could send engineers for installation on June of 2022 and the installation was completed in February 2023.

4. As per first Installation Certificate dated 25.03.2023 issued by Chartered Engineer enclosed by the firm, the date of installation of CGs is 15.02.2023 under BOE No. 7553451 dated 30.04.2020 and as per the second Installation Certificate dated 01.02.2023 issued by Chartered Engineer the date of installation of CGs is 15.12.2022 under BOE No. 5563217 dated 05.11.2019.

Decision: The Committee deliberated upon the case and **decided to recommend to DG for relaxation under Para 2.59 of FTP, 2023** to allow condonation of delay in installation of Capital Goods beyond the period of 18 months, subject to payment of composition fee of Rs. 10,000/- and submission of installation certificate. RA to verify that no ECA/DRI/Customs action is pending. The firm will not be eligible for grant of extension in EO period on this ground.

This has the approval of DG, DGFT.

<u>Case No- 14: Nipro India Corporation Private Limited, Pune</u>
F. No. HQREPCGPRAPP00000040AM24

Subject: Request for Condonation of delay in Installation of Capital Goods in respect of EPCG Authorization No. 3130011019 dated 27.11.2019 under 0% Concessional Duty.

1. The firm has stated that upon submission of Installation Certificate to RA, Pune, they received a DL requesting to approach DGFT Hqrs. for condonation of delay in installation of capital goods.

2. The firm further stated that they are setting up a new manufacturing facility for exporting dialyzer and the products are an entire manufacturing line. The capital goods imported are custom built and special purpose machines, specially manufactured for the Dialyzer Production.

3. Further, the firm stated that the installation of capital goods requires specialized services from foreign manufacturer, and during the pandemic period, the manufacturer was unable to send specialized engineers for installation of capital goods. The manufacturer could send engineers for installation on June of 2022 and the installation was completed in December 2022.

4. As per Installation Certificate dated 01.02.2023 issued by Chartered Engineer enclosed by the firm, the date of installation of CGs is as under:

S. No.	BOE No.	Date of Installation
1	6743570 dated 04.02.2020	15.12.2022
2	6743396 dated 04.02.2020	15.12.2022
3	6743922 dated 04.02.2020	15.12.2022
4	6747347 dated 04.02.2020	15.12.2022
5	7046443 dated 28.02.2020	15.12.2022

6	7168469 dated 09.03.2020	15.12.2022
7	6960874 dated 20.02.2020	15.12.2022
8	6891536 dated 15.02.2020	15.12.2022
9	6883406 dated 14.02.2020	15.12.2022
10	6949685 dated 20.02.2020	15.12.2022
11	6952841 dated 20.02.2020	15.12.2022
12	6320095 dated 02.01.2020	15.12.2022
13	7174179 dated 09.03.2020	15.12.2022
14	6955977 dated 20.02.2020	15.12.2022

Decision: The Committee deliberated upon the case and **decided to recommend to DG for relaxation under Para 2.59 of FTP, 2023** to allow condonation of delay in installation of Capital Goods beyond the period of 18 months, subject to payment of composition fee of Rs. 10,000/- and submission of installation certificate. RA to verify that no ECA/DRI/Customs action is pending. The firm will not be eligible for grant of extension in EO period on this ground.

This has the approval of DG, DGFT.

Case No- 15: Nipro India Corporation Private Limited, Pune
F. No. HQREPCGPRAPP00000044AM24

Subject: Request for Condonation of delay in Installation of Capital Goods in respect of EPCG Authorization No. 3131000138 dated 02.02.2021 under 0% Concessional Duty.

The firm has stated that upon submission of Installation Certificate to RA, Pune, they received a DL requesting to approach DGFT Hqrs. for condonation of delay in installation of capital goods.

2. The firm further stated that they are setting up a new manufacturing facility for exporting dialyzer and the products are an entire manufacturing line. The capital goods imported are custom built and special purpose machines, specially manufactured for the Dialyzer Production.
3. Further, the firm stated that the installation of capital goods requires specialized services from foreign manufacturer, and during the pandemic period, the manufacturer was unable to send specialized engineers for installation of capital goods. The manufacturer could send engineers for installation on June of 2022 and the installation was completed in December 2022.
4. As per Installation Certificate dated 01.02.2023 issued by Chartered Engineer enclosed by the firm, the date of installation of CGs is as under:

S.	BOE No.	Date of Installation

No.		
1	3213515 dated 19.03.2021	15.12.2022
2	3216267 dated 19.03.2021	15.12.2022
3	3172026 dated 16.03.2021	15.12.2022
4	2838910 dated 19.02.2021	15.12.2022
5	2789791 dated 16.02.2021	15.12.2022
6	2791457 dated 16.02.2021	15.12.2022

Decision: The Committee deliberated upon the case and **decided to recommend to DG for relaxation under Para 2.59 of FTP, 2023** to allow condonation of delay in installation of Capital Goods beyond the period of 18 months, subject to payment of composition fee of Rs. 10,000/- and submission of installation certificate. RA to verify that no ECA/DRI/Customs action is pending. The firm will not be eligible for grant of extension in EO period on this ground.

This has the approval of DG, DGFT.

Case No- 16: Nipro India Corporation Private Limited, Pune
F. No. HQREPCGPRAPP00000036AM24

Subject: Request for Condonation of delay in Installation of Capital Goods in respect of EPCG Authorization No. 3130010798 dated 23.05.2019 under 0% Concessional Duty.

1. The firm has stated that upon submission of Installation Certificate to RA, Pune, they received a DL requesting to approach DGFT Hqrs. for condonation of delay in installation of capital goods.

2. The firm further stated that they are setting up a new manufacturing facility for exporting dialyzer and the products are an entire manufacturing line. The capital goods imported are custom built and special purpose machines, specially manufactured for the Dialyzer Production.

3. Further, the firm stated that the installation of capital goods requires specialized services from foreign manufacturer, and during the pandemic period, the manufacturer was unable to send specialized engineers for installation of capital goods. The manufacturer could send engineers for installation on June of 2022 and the installation was completed in December 2022.

4. As per Installation Certificate dated 01.02.2023 issued by Chartered Engineer enclosed by the firm, the date of installation of CGs is as under:

S. No.	BOE No.	Date of Installation
1	3531460 dated 05.06.2019	15.12.2022
2	3708948 dated 18.06.2019	15.12.2022
3	4676145 dated 28.08.2019	15.12.2022

4	4554299 dated 19.08.2019	15.12.2022
5	4869517 dated 12.09.2019	15.12.2022
6	4467021 dated 13.08.2019	15.12.2022
7	4992227 dated 21.09.2019	15.12.2022
8	5309726 dated 16.10.2019	15.12.2022
9	5314174 dated 16.10.2019	15.12.2022
10	6898313 dated 15.02.2020	15.12.2022

Decision: The Committee deliberated upon the case and **decided to recommend to DG for relaxation under Para 2.59 of FTP, 2023** to allow condonation of delay in installation of Capital Goods beyond the period of 18 months, subject to payment of composition fee of Rs. 10,000/- and submission of installation certificate. RA to verify that no ECA/DRI/Customs action is pending. The firm will not be eligible for grant of extension in EO period on this ground.

This has the approval of DG, DGFT.

Case No- 17: Nipro India Corporation Private Limited, Pune
F. No. HQREPCGPRAPP00000042AM24

Subject: Request for Condonation of delay in Installation of Capital Goods in respect of EPCG Authorization No. 3130011037 dated 13.12.2019 under 0% Concessional Duty.

The firm has stated that upon submission of Installation Certificate to RA, Pune, they received a DL requesting to approach DGFT Hqrs. for condonation of delay in installation of capital goods.

2. The firm further stated that they are setting up a new manufacturing facility for exporting dialyzer and the products are an entire manufacturing line. The capital goods imported are custom built and special purpose machines, specially manufactured for the Dialyzer Production.
3. Further, the firm stated that the installation of capital goods requires specialized services from foreign manufacturer, and during the pandemic period, the manufacturer was unable to send specialized engineers for installation of capital goods. The manufacturer could send engineers for installation on June of 2022 and the installation was completed in February 2023.
4. As per Installation Certificate dated 25.03.2023 issued by Chartered Engineer enclosed by the firm, the date of installation of CGs is as under:

S. No.	BOE No.	Date of Installation
1	7336629 dated 23.03.2020	15.02.2023
2	7337296 dated 23.03.2020	15.02.2023

3	7337438 dated 23.03.2020	15.02.2023
4	6745316 dated 04.02.2020	15.02.2023
5	7369502 dated 30.03.2020	15.02.2023
6	7369832 dated 30.03.2020	15.02.2023
7	6964690 dated 21.02.2020	15.02.2023
8	6950447 dated 20.02.2020	15.02.2023
9	6965025 dated 21.02.2020	15.02.2023
10	7433850 dated 12.04.2020	15.02.2023
11	6965283 dated 21.02.2020	15.02.2023
12	7433771 dated 12.04.2020	15.02.2023
13	6320095 dated 02.01.2020	15.02.2023
14	6319640 dated 02.01.2020	15.02.2023
15	7189363 dated 11.03.2020	15.02.2023
16	6954478 dated 20.03.2020	15.02.2023

Decision: The Committee deliberated upon the case and **decided to recommend to DG for relaxation under Para 2.59 of FTP, 2023** to allow condonation of delay in installation of Capital Goods beyond the period of 18 months, subject to payment of composition fee of Rs. 10,000/- and submission of installation certificate. RA to verify that no ECA/DRI/Customs action is pending. The firm will not be eligible for grant of extension in EO period on this ground.

This has the approval of DG, DGFT.

<u>Case No- 18: Omniplast Packaging Private Limited, Haryana</u>
F. No. HQRPRCAPPLY00000336AM24

Subject: Request for grant of (i) Regularization of exports made beyond EOP (ii) EOP Extension for 2 years from the date of endorsement, in respect of EPCG Authorization No. 0530161584 dated 19.09.2013 under 0% Concessional Duty.

The firm has stated as under :-

1. EOP extension and 1st Block extension was requested on 15.01.2020, within 4 months of EOP expiry. However endorsement for extension of 1st block only was made on license. The firm again requested CLA, New Delhi to endorse the EO extension, but CLA replied that EO extension cannot be granted on expired License.

2. The firm has fulfilled the EO as third-party through their group company M/s Omniplast Private Ltd. The group company is located at the same address as the firm and has the same directors.

The EO fulfilled through them before 01.04.2015 was Nil and after 01.04.2015 was USD 754663.82 (112.78% of EO).

3. They were not aware that Group Company provision was suddenly withdrawn by PN 01 dated 18.04.2013 for FTP valid upto 31.03.2014. Further, Para 5.10(d) was introduced in FTP 2015-20 by which certain documents were prescribed to be maintained for third party exports. The firm was not aware of the same.

4. The firm made Exports to the extent of USD 410073.11 through Group company, but these shipping bills cannot be accounted for fulfillment of EO as group company provisions had been deleted and the firm did not have documents required as per Para 5.10(d) of HBP 2015-20. They made further Exports to the extent of USD 344590.71 and the shipping bills have the EPCG license number, the firm's name and Group Company name and can be counted as third party export.

The firm has fulfilled the EO but is not able to redeem EPCG license due to the reasons stated above and will have to make almost double exports to fulfill EO. The firm after coming to know of this error have already made direct exports to the extent of USD 74,037.35 (beyond EOP).

Decision: The Committee deliberated upon the case and decided to **recommend to DG for relaxation under Para 2.59 of FTP, 2023** to allow Condonation of delay in approaching RA for EO extension for 2 years (from 6th year to 8th 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 following conditions:-

1. The proper installation certificate has been submitted within time limits as specified,

and

2. 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.

The Committee further deliberated upon the case and decided to advise the firm to approach RA for extension of Export Obligation Period (beyond 8 years) in terms of Public Notice No. 53/2015-20 dated 20.01.2023 where extension is permitted on account of COVID.

The Committee decided to advise that if the applicant desires, they may approach RA for regularizing the case under the Amnesty Scheme notified vide Public Notice No. 02/2023 dated 02.04.2023 as per the conditions specified therein. RA may examine such request as per policy on merit.

Case No- 19: Krishna International, Jalandhar
F. No. HQRPRCAPPLY00000082AM24

Subject: Request for extension of 1st block for two years i.e. beyond 4+2 years in respect of EPCG Authorization No. 3030009924 dated 01.08.2012 under 0% Concessional duty - reg.

The submission of the firm is as under :-

i. They could not complete their EO in first block as well as in second block. Hence, they had applied for extension of 1st block period and EOP earlier. Accordingly, their first block period was extended for two years i.e. upto 31.02.2018 and EOP was granted for two years i.e. up to 31.07.2020 as per amendment sheet issued by RA, Ludhiana. The EO period was automatically extended by six months upto 31.01.2021 vide PN No. 67/2015-20 dated 31.03.2020.

ii. They had exported through third party between March, 2020 and Oct, 2020. They have completed 131% of total EO fixed against EPCG Authorisation. They had applied for regularization of export and fulfilment of EO and redemption to RA, Ludhiana. However a DL was issued that there is shortfall in EO of USD 20,782.20 in the first block being exported beyond the extended validity period available up to 31.07.2018. Therefore exports made after 31.07.2018 cannot be regularized by the RA and the request for regularization can be considered at HQ only.

iii. They had been able to exports worth US$ 32,656.20 vide Shipping Bill No. 2280975 dated 20.03.2020 just before start of Covid pandemic in the country. The balance export was executed in the months of September and October 2020.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.59 of FTP, 2023** to allow :-

(a) Extension in block-wise EOP, as the applicant 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) (if not availed) 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:-

1. The proper installation certificate has been submitted within time limits as specified, and

2. 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.

The Committee further deliberated upon the case and decided that if the applicant desires, they may approach RA for regularizing the case under the Amnesty Scheme notified vide Public Notice No. 02/2023 dated 01.04.2023 as per the conditions specified therein. RA may examine such request as per policy on merit.

Case No- 20: G.G. Fashions, Salem (Tamil Nadu)
F. No. HQRPRCAPPLY00395964AM22

Subject: Request for:

i. **Acceptance and Issuance of “Cotton Fabrics” as Export Product Name**
ii. **4 years EOP Extension up to 29.07.2022 i.e. from 8th to 12th year**

In respect of EPCG Authorization No. 3230015281 dated 30.07.2010 under 03% Concessional Duty.

The firm stated that they are manufacturer of Cotton, Cotton Fabric since last 20 years. At the time of application of issue of authorization, their employees did not mention Cotton Fabric. The remaining EPCG licenses mention cotton fabrics for EO fulfilment. They have already fulfilled their EO and at the time of redemption they came to know that the cotton fabric is not mentioned on the license. Now they cannot make endorsement on the licence. Hence, the firm requested endorsement of cotton fabric on the license and advised RA to encash the license at the earliest.

2. The request of the firm was considered in the Meeting of the EPCG Committee held on 27.04.2023 and 04.05.2023. The decision of the Committee is reproduced below:

> *"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 concerned on the submissions made by the applicant."*

3. Accordingly, RA, Coimbatore vide e-mail dated 06.07.2023 was requested to send a report. The report has been received from the RA on 13.07.2023.

Decision: The Committee deliberated upon the case and decided to **remand** the case to RA to examine the request and take a decision after verifying the nexus of the exported items manufactured by the machinery imported under the subject EPCG authorisation.

<u>Case No- 21: Sri Bhagyalakshmi Enterprises, Bangalore</u>
F. No. HQREPCGPRAPP00000268AM24

Subject: Review Application w.r.t. Request for Second EOP Extension for 2 years i.e. beyond 6+2 years in respect of EPCG Authorization No. 0730012649 dated 26.08.2013 under 0% Concessional Duty.

The firm had earlier requested for second EO period extension for 2 years i.e. beyond 6+2 years in respect of EPCG Authorization No. 0730012649 dated 26.08.2013 under 0% Concessional duty. The case was considered in 1st Meeting of AM-23 held on 04.05.2022 wherein it was decided as under :-

> *"The Committee further deliberated upon the case and decided to advise the firm to approach RA for extension of Export Obligation Period beyond 8 years in terms of PN No. 53 dated 20.01.2023 where extension is permitted on account of COVID.*
>
> *The Committee further deliberated upon the case and decided to advise that if they desire, the applicant may approach RA for regularising the case under the Amnesty Scheme notified vide Public Notice No. 02/2023 dated 02.04.2023 as per the conditions specified therein. RA may examine such request as per policy on merit."*

2. The firm has now filed a Review application and requested for an additional EO Extension of 12 months (considering 7 month of delayed decision and additional 5 month) in respect of subject EPCG Authorization.

3. The firm has stated that they approached RA, Bangalore and applied for EOP Extension as per PN No. 53 dated 20.01.2023, they were granted the extension from 26.08.2021 to 26.02.2023. The firm further stated that during the period when the application was submitted online i.e. 21.10.2022 vide F.No. HQREPCGPRAPP00000510AM23 and till the extended period i.e. 26.02.2023, the Customs Authority did not allow them to incorporate the EPCG Authorization in the third party shipping bills.

Decision: The Committee deliberated upon the case and decided to **defer** it for further examination.

<u>Case No- 22: Parkar Communications Private Limited, Mumbai</u>
F. No. HQREPCGPRAPP00000232AM24

Subject: Request for:

i. **Block-wise Extension for regularization purpose**
ii. **1 year EOP Extension from 21.03.2019 to 21.03.2020**
iii. **6 months EOP Extension from 21.03.2020 to 21.09.2020 in view of DGFT P.N. No. 67 dated 31.03.2021**

In respect of EPCG Authorization No. 0330035407 dated 21.03.2013 under 0% Concessional Duty.

In respect of 1st request:

1. The firm has stated that they could not apply to RA within the prescribed time period.

2. The firm has further stated that they have completed their EO and have paid the proportionate composition fees.

In respect of 2nd & 3rd request:

1. The firm stated that their Senior Executive who was responsible for the task left the organization without completing the necessary work, which led to the delay. The firm have already paid the proportionate fees for EOP extension.

Decision:

In respect of request for 1st Block Extension:

The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.59 of FTP, 2023** to allow extension in block-wise EOP, as the applicant 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/-.

This has the approval of the DG, DGFT.

In respect of request for EOP Extension up to 21.03.2020:

The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.59 of FTP, 2023** to allow Condonation of delay in approaching RA for EO extension for 1 year (from 7th year to 8th year) on payment of composition fee or imposition of additional EO in terms of Para 5.11 of HBP 2009-14 and late fee of Rs. 10,000/-.

This has the approval of the DG, DGFT.

In respect of request for 6 months EOP Extension from 21.03.2020 to 21.09.2020 in view of DGFT P.N. No. 67 dated 31.03.2021:

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 31.03.2020 and Notification No. 28/2015-2020 dated 23.09.2021.

Case No- 23: Mitu Textile, West Bengal
F. No. HQREPCGPRAPP00000206AM24

Subject: Request for extension of EOP for two years i.e. upto 31.12.2023 in respect of EPCG Authorization No. 0230009832 dated 17.10.2014 under 0% Concessional duty- reg.

The firm has stated that they have fulfilled EO in USD 90.21% within 1st block but due to the unavoidable reason they were unable to fulfill balance 9.79% EO within the initial EO period which expired on 31.12.2021 (as per DGFT Notification No. 28/2015-2020 dated 23.09.2021). The firm has also stated that they can fulfil EO with 25% enhancement (20% enhancement as per Para 5.11 of HBP 2009-14 + 5% enhancement as per Notification No. 28/2015-20 dated 23.09.2021) within extended EOP.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.59 of FTP, 2023** to allow Condonation of delay in approaching RA for EO extension for 2 years beyond (from 8th year to 10th year) on payment of composition fee or imposition of additional EO 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- 24: Sahu Exports Private Limited, Noida
F. No. HQREPCGPRAPP00000326AM23

Subject: Request for:

1. **Allowing transfer of liability of EPCG Authorization No. 0530175864 dated 20.03.2020 from Sahu Exports to Sahu Exports Pvt. Ltd. due to Business Transfer**
2. **Change in IEC No. in respect of EPCG Authorization No. 0530175864 dated 20.03.2020 from 0588042382 to AAHCS7590M.**

The firm stated that they received subject EPCG Authorization from CLA, New Delhi wherein they imported and installed CGs under the same. They have stopped exports in the name of Sahu Exports and IEC No. and business have been transferred to Sahu Exports Pvt. Ltd.. Hence, the firm has requested to allow transfer of liability of the subject EPCG Authorization to Sahu Exports Pvt. Ltd. with endorsement of their IEC No. so that they can fulfill their EO under stipulated time.

2. The firm has attached copies of IEC, RCMC, EPCG Authorization, BOE, Installation Certificate issued by Chartered Engineer and Business Transfer Agreement for reference. The firm was asked for the shareholding pattern of both the entities. The firm has furnished the same, as under:

1. **Sahu Exports Private Limited:**

Name of Directors	% of share holding
Shri Ram Kumar Sahu	30%
Shri Manoj Kumar Sahu	35%
Shri Sanjeev Kumar Sahu	35%

2. **Sahu Exports:**

Name of Directors	% of share holding
Shri Ram Kumar Sahu	40%
Shri Manoj Kumar Sahu	30%
Shri Sanjeev Kumar Sahu	30%

Decision: The Committee deliberated upon the case and decided to **defer** the case with the directions to call for a report from RA concerned on the submissions made by the applicant.

Case No- 25: SLN Hitech Laser, Bangalore
F. No. HQRPRCAPPLY00000481AM24

Subject: Request for 1st Block Extension in respect of EPCG Authorization No. 0730014731 dated 31.08.2015 under 0% Concessional Duty.

The firm has stated that they were unable to complete EO in the 1st block due to COVID-19 and cancellation of orders from overseas buyers from USA. The firm further stated that they had applied for EOD and were informed by RA to pay the duties and interest for non-fulfillment of EO for the 1st block. The firm also stated that they are a small unit and payment of duties and interest would be a huge burden for the company's financials.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.59 of FTP, 2023** to allow extension in block-wise EOP, as the applicant 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/-.

This has the approval of the DG, DGFT.

Case No- 26: Ranjana Rayasing Naik, Pune
F. No. HQRPRCAPPLY00004714AM23

Subject: Request for 1st Block Extension in respect of EPCG Authorization No. 3130007904 dated 11.04.2014 under 0% Concessional Duty.

The firm has stated that they have enclosed e-challan of Rs. 12,970 as 2% composition fees for 1st block extension along with Rs. 10,000/- for one time condonation of time period in respect of obtaining block-wise extension in EOP under EPCG Scheme as per PN 3/2015-2020.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.59 of FTP, 2023** to allow extension in block-wise EOP, as the applicant 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/-.

This has the approval of the DG, DGFT.

<u>Case No- 27: Yesman Infin Private Limited, Mumbai</u>
F. No. HQRPRCAPPLY00000480AM24

Subject: Request for 1st Block Extension in respect of EPCG Authorization No. 0330034042 dated 23.10.2012 under 03% Concessional Duty.

The firm has stated they have enclosed 2% composition fees on duty saved amount equal to unfulfilled portion of EO of the 1st block of 6 years for the subject EPCG Authorization. The firm has further stated that they have enclosed an e-challan of Rs. 10,000/- for one-time condonation of time period in respect of obtaining block-wise extension in EOP under EPCG Scheme as per P.N. 35/2015-20.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.59 of FTP, 2023** to allow extension in block-wise EOP, as the applicant 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/-.

This has the approval of the DG, DGFT.

<u>Case No- 28: CLASS India Pvt. Ltd., Ropar (Punjab)</u>
F. No. HQREPCGPRAPP00000189AM24

Subject: Review of EPCG Meeting decision held on 18.01.2023 & 20.01.2023 i.e. request for re-fixation of AEO under EPCG scheme due to De-merger of an entity into two separate entities on grounds in respect of EPCG Authorization no. 2230002599 dated 16.09.2015 under 0% concessional duty.

Earlier, the firm had requested for for re-fixation of Average EO under EPCG scheme due to de-merger of an entity into two separate entities on grounds in respect of EPCG Authorization No. 2230002599 dated 16.09.2015 under 0% concessional duty. On examination of documents it was observed that the de-merger of the firm was done on 01.10.2014, while the EPCG Authorisation is dated 16.09.2015 before the issue of EPCG Authorization. However, the firm was requesting for re-fixation of AEO on grounds of de-merger. The contention of the firm that Combine Harvester relates to agriculture and no AEO should be fixed.

2. The request of the firm was considered in the Meeting of the EPCG Committee held on 18.01.2023 & 20.01.2023 and the Committee decided to reject the request. Now, the firm has requested for review of EPCG Meeting decision held on 18.01.2023 & 20.01.2023 i.e. request for re-fixation of AEO under EPCG scheme due to De-merger of an entity into two separate entities on grounds in respect of EPCG Authorization no. 2230002599 dated 16.09.2015 under 0% concessional duty.

3. The firm has stated that while submitting the export data, they mistakenly included the export of spare parts of machines. However, the EPCG authorisation was only obtained for ‘Combine Harvesters’. The firm has stated that the ambit of ‘same or similar product’, which is a condition under the Authorization, cannot be stretched to include spare parts as a product similar to Combine Harvester. The firm has stated that the correct average AEO in their case should be 23,41,37,311/- instead of 31,33,24,371/-.

4. The firm has further stated that on 01.10.2014, the company de-merged its operations and got split into two individual specialized entities viz. CLAAS India Pvt. Ltd. and CLAAS Agricultural Machinery Pvt. Ltd. (‘New Entity’). Since the AEO was fixed on a consolidated level, the AEO fulfilment must also be considered on a consolidated level of both the entities. It is also pointed out by the firm that as per Para 5.09 of the FTP, 2015-20 in case where Authorisation holder has fulfilled 75 percent or more of Specific EO and 100% of AEO in half or less than half the original EO period specified, remaining EO shall be condoned, and the Authorisation redeemed by RA concerned. Their case also falls in this category. It is also pointed out that ‘Combine Harvester’ is a product ‘relating to agriculture’ and thus AEO shall be NIL as per Para 5.13 of HBP, 2015-20 which provides exemption from maintaining AEO to Agriculture products. The firm has stated that ‘Combine Harvester’ can only be used in harvesting (including gathering) the crops.

Decision: The Committee deliberated upon the case and noted that the Combine Harvester is not an agricultural product but is a Capital Good.

The Committee observed that applicant has not submitted any cogent reason/justification in support of the request or any genuine hardship faced by them. Accordingly, the Committee decided to maintain the **rejection** of the request of the firm under para 5.13 of HBP, 2015-20. The firm may approach the RA for consideration of their request under para 5.09 of FTP.

<u>Case No- 29: Bharat Heavy Electricals Limited, New Delhi</u>
F. No. HQREPCGPRAPP00001054AM23

Subject: Review of EPCG Meeting decision held on 18.01.2023 & 20.01.2023 i.e. re-fixation of AEO on the basis of physical export figures only in respect of 4 EPCG Authorizations under 0% Concessional duty.

Earlier, the firm had requested for re-fixation of AEO on the basis of physical export figures only in respect of 4 EPCG Authorizations under 0% Concessional duty.

2. The request of the firm was considered in the 10th Meeting of EPCG Committee held on 18.01.2023 & 20.01.2023 and decided as under :-

> *“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.”*

3. Now, the firm vide application dated 25.02.2023 has requested for review of EPCG Meeting decision held on 18.01.2023 & 20.01.2023 i.e. re-fixation of AEO on the basis of physical export figures only in respect of above mentioned 4 EPCG Authorizations under 0% Concessional duty along with requisite fee of Rs. 5000/-. Accordingly, RA, Bhopal vide e-mail dated 22.08.2023 was requested to send a report. The report of RA has been received.

Decision: The Committee noted that the applicant was aware at the time of applying for EPCG authorization that supply to non-mega power project were not eligible for availing benefit under Deemed Exports.

The Committee observed that applicant has not submitted any cogent reason/justification in support of the request or any genuine hardship faced by them. Accordingly, the Committee decided to maintain the **rejection** of the request.

<u>Case No- 30: Premier Energies Limited, Telangana</u>

F. No. HQRPRCAPPLY00000273AM24

Subject: Request for 1st Block Extension in respect of EPCG Authorization No. 0930012786 dated 08.02.2017 under 0% Concessional duty.

The firm has stated that they could not fulfill their EO due to lack of export orders from customers. The firm has further stated that have completed 2nd block EO on time and the overall EO is 62% completed.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.59 of FTP, 2023** to allow extension in block-wise EOP, as the applicant 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/-.

This has the approval of the DG, DGFT.

Case No- 31: Mulberry Silks Limited, Bangalore
F. No. HQRPRCAPPLY00000347AM24

Subject: Request for condonation of non-maintenance of AEO in respect of EPCG Authorization no. 0730015443 dated 12.05.2016 under 0% Concessional duty - reg.

The firm has stated that they have obtained subject EPCG Authorization from RA, Bangalore for the acquisition of two rolling inspection machines. They diligently met the EO requirements during the initial phase of the fiscal year 2016-17. Nevertheless, their export performance has significantly declined since then, as they grappled with formidable challenges. The difficult economic conditions and the ramifications of Brexit, notably the impact on their substantial export market in the United Kingdom, have left a lasting mark on their operations. Furthermore, the global upheaval caused by the Covid-19 pandemic exacerbated their situation by disrupting supply chains and severely constraining market opportunities. Despite their unwavering dedication, unforeseen circumstances have thwarted their ability to attain the mandated annual average EO of Rs. 139,25,02,404.13 over the past six years but were able to achieve Rs. 105,09,66,143.25 only.

Decision: The Committee noted that firm has not obtained extension in EO period under the provisions of the FTP, 2015-20.

The Committee observed that applicant has not submitted any cogent reason/justification in support the request or any genuine hardship faced by them. Accordingly, the Committee decided to **reject** the request.

Case No- 32: Gujarat Narmada Valley Fertilizers & Chemicals Limited, Bharuch (Gujarat)
F. No. HQREPCGPRAPP00000297AM24

Subject: Request for condonation for late installation of Capital Goods against EPCG Authorization No. 3431000479 dated 22.04.2021 under 0% Concessional duty - reg**.**

The submission of the firm is as under :-

i. The new 15 Concentrated Nitric Acid (CNA)-IV Project at GNFC Bharuch Complex was originally to be completed by August, 2021 with imported materials designated for installation. However, it faced delays due to various factors like covid-19 pandemic, poor response from vendors for procurement of various equipments for the project etc. leading to mechanical completion being issued by M/s. TATA Consulting Engineers Limited (TCEL) on 15.06.2023 and plant commissioning on 27.07.2023 with the plant currently operating at full capacity.

ii. The installation of these imported materials couldn't be executed within the 6 to 18 months time following their import date of 21.09.2021. The installation was completed on 08.05.2023 and an installation certificate dated 12.05.2023 was issued. This resulted in a delay of approximately 48 days in the installation process.

iii. According to the installation certificate issued by the Chartered Engineer on 12.05.2023, the Capital Goods were imported on 21.09.2021 and installed on 08.05.2023.

Decision: The Committee deliberated upon the case and **decided to recommend to DG for relaxation under Para 2.59 of FTP, 2023** to allow condonation of delay in installation of Capital Goods beyond the time period of 18 months, subject to payment of composition fee of Rs. 10,000/- and submission of installation certificate. RA to verify that no ECA/DRI/Customs action is pending. The firm will not be eligible for grant of extension in EO period on this ground.

This has the approval of DG, DGFT.

Case No- 33: Gujarat Narmada Valley Fertilizers & Chemicals Limited, Bharuch (Gujarat)
F. No. HQREPCGPRAPP00000665AM23

Subject: Request for condonation for late installation certificate of Capital Goods against against EPCG Authorization Nos. 3430003494 dated 07.02.2020 and 3430003514 dated 13.03.2020 under 0% Concessional duty -reg.

The firm has stated that they had imported CGs for production of Weak Nitric Acid (WNA) & for setting new Concentrated Nitric Acid (CNA) production plant. The list of equipment includes Process Gas Cooler (PGC), Evaporator etc. to name a few. The PGC for WNA was imported at the beginning of Covid-19 Pandemic on 26.03.2020 under EPCG Authorization No. 3430003494 dated 07.02.2020 whereas the equipment for new CNA plant were imported on 24.07.2020 under EPCG Authorization No. 3430003514 dated 13.03.2020. The CGs could not be installed within 18 months due to reasons mentioned below:

EPCG Authorisation No. & Date	Reasons for not installing CG within 18 months

3430003494 dated 07.02.2020	i. Based on the Residual life inspection report of M/s. ThyssenKrupp Xervon Energy dtd: 16.06.2011, the expected residual life was derived for at least 8~10 years, (with well operation, maintenance, and repair, if required). Based on the periodical inspection that client has been carrying out, the currently installed/ used equipment, is still in working condition. The client wants to extract useful life from the currently installed equipment. ii. The present pandemic situation has created limitation in getting trained / designated agencies to carry out the installation of the equipment which is lying ready for installation.
3430003514 dated 13.03.2020	i. Initially the 150 MTPD Concentrated Nitric Acid (CNA) –IV Project was to be completed by August-21. However, because of the following reasons, project is almost delayed by 16 months. ii. Outbreak of COVID-19 Pandemic, all engineering, procurement activities got delayed. iii. Poor / Feeble response received from the vendors for the procurement of various piping / equipment /Instrumentation / electrical / structural steel items for the said project. iv. All construction activities have been started with less manpower and with proper COVID-19 guide lines issued by Central Government / state government / local bodies, which leads to the delay of all project activities.

2. As per Installation certificate issued by Chartered Engineer, CGs were imported and installed at the premises as under:

EPCG Authorization No. and date	BoE No. & dated	Date of Installation	Issued date of installation certificate
3430003494 dated 07.02.2020	7357603 dated 26.03.2020	The Equipment is not installed	
3430003514 dated 13.03.2020	8191646 dated 16.07.2020	March 2022 to June 2022	25.06.2022

3. Accordingly report from RA, Vadodara was called vide email dated 29.08.2023. The report from RA has been received on 29.09.2023.

Decision: The Committee deliberated upon the case and **decided to recommend to DG for relaxation under Para 2.59 of FTP, 2023** to allow condonation of delay in installation of Capital Goods imported against EPCG Authorisation No. 3430003514 dated 13.03.2020 subject to payment of composition fee of Rs. 10,000/- and submission of installation certificate. RA to verify that no ECA/DRI/Customs action is pending. The firm will not be eligible for grant of extension in EO period on this ground.

This has the approval of the DG, DGFT.

Further, the request in respect of the EPCG Authorisation No. 3430003494 dated 07.02.2020 cannot be considered at present as the Capital Goods are yet to be installed.

Case No- 34: Omni Plast Private Limited, Kolkata
F. No. HQRPRCAPPLY00000338AM24

Subject: Request for Second EOP Extension for 2 years i.e. beyond 6+2 years in respect of EPCG Authorization No. 0530153785 dated 22.10.2010 under 0% Concessional Duty.

The firm has stated that they completed the specific EO against the EPCG authorization within the initial EO period of 6 years. However, the average EO was completed beyond 6+2 years after the issue of License. They were not able to maintain the Average EO as they had only two buyers prior to issue of EPCG license namely viz. RITCO, Liberia and FIETON, Sri Lanka who were giving orders to them on advance payment resulting in high Average EO. They had developed specialized printed packing material for their buyers to pack liquid in pouches.

2. Further, the firm further stated that during years subsequent to the issue of EPCG License, the buyers asked them to supply the products to them on credit basis. They were forced to stop exporting to them thereafter as they were located in risky countries, where supply on credit is not advisable. The continued supply would have caused huge financial losses to the firm, which may have led to closure of the factory. The average EO of prior to issue of License is based on exports to them only. The firm was not able to maintain the average in the subsequent years only because of this reason.

3. The firm further stated that the statement of exports to them in the years prior to issue of EPCG License viz. 2007-08, 2008-09 and 2009-10 and after the issue of license certified by CA confirming this fact is enclosed. Exports after the issue of the License became unviable due to dumping of the product by Chinese suppliers in international market below cost. The firm subsequently developed new buyers, and completed the specific EO but exports were not sufficient to maintain the Average EO in the EO period. The average EO was fulfilled by 10.02.2020 which is 16 months beyond the extended EOP endorsed on license.

Decision: The Committee observed that applicant has not submitted any cogent reason/justification in support the request or any genuine hardship faced by them. Accordingly, the Committee decided to **reject** the request.

Case No- 35: RSB India Ltd., Bhiwadi, Rajasthan
F. No. 01/37/218/197/AM-19/EPCG-II

Subject: Request for review of the decision taken in EPCG Committee meeting held on 13.07.2020 in respect of EPCG Authorization No. 0230000515 dated 03.03.2004 -reg**.**

Earlier, the firm had requested for regularization of shifting of capital goods to new premises at WBIIDC, Uluberia industrial Growth Centre, Plot No. 51 (Part) & 52 (part), P.O. Uluberia, District Howrah and submitted verification report from Central Excise certifying presence of CGs at the new premises which were not installed due to their obsolescence and non-availability of new machinery to make the plant functional. The case was considered in the EPCG Committee meeting held on 24.05.2019. The Committee deliberated upon the case and decided to call a report from the RA including the details of the EO fulfillment by the party.

2. RA, Kolkata vide its report dated 30.9.2019 conveyed that CGs were un-installed. The case was again considered in the EPCG Committee meeting held on 10.01.2020 and the Committee observed that

the party has now submitted copy of verification report from Office of the Superintendent of CGST and Central Excise, Kolkata verifying the presence of CGs in the new factory premises at Howrah. The Committee decided to defer the case with a request to the RA to verify and send a report as to how much exports were completed before the CGs were shifted from the Bhiwadi Unit of the firm (where the CGs were originally installed) and the new factory unit at Uluberia Industrial Growth Centre, Plot No.51 and 52 (part), Howrah.

3. RA vide report dated 20.03.2020 conveyed that the firm has completed 3% EO before shifting the CG to the new location and the balance was completed by the Group Company (103%) as per Para 5.4 of FTP, 2004-2009 within the extended EO period after shifting of CGs to the new premises. The case was again considered in the EPCG Committee meeting held on 13.07.2020. The Committee deliberated upon the case and observed that the request of the party is for redemption of their case on the basis of shifting of CGs to new premises but without their installation because of various reasons. The Committee decided to reject it as there is no merit in the request.

4. Subsequently, RA, Kolkata vide letter dated 13.08.2020 informed that a representation dated 19.06.2020 along with challan cum truck receipt dated 17.01.2017 was received from M/s RSB India Ltd., Kolkata. On the basis of fresh documents received from the party, they re-examined the case. RA stated that the Capital Goods have been shifted on 17.01.2017 i.e. after completion of fulfilment of EO either by direct export or by Group Company as per policy in force. Their earlier report dated 20.03.2020 is modified to this extent.

5. In the meanwhile, the applicant has submitted a review application against the decision taken in EPCG Committee Meeting held on 13.07.2020. RA Kolkata was asked vide e-mail dated 12.08.2022 to send a report on the Review application. RA Kolkata vide report dated 29.08.2022 has informed that the firm was obligated to meet Average EO of Rs. 5,93,87,064 which was correct as per CA certified Appendix 5B dated 10.11.2015 submitted by the firm (showing Export Performance for the F.Y. 12-12 of Rs. 2,26,46,141.30, F.Y. 13-14 of Rs. 7,25,28,014.31 and F.Y. of Rs. 8,29,87,036.45). The same has been fulfilled to the tune of Rs. 12.68 cr as per ANF-5B duly supported by CA certified export statement showing Shipping Bill wise Export Performance of Group Company for FY 15-16 of Rs. 11,11,86,172.04 and F.Y. 16-17 of Rs. 14,25,20,997.12 respectively.

Decision: The Committee deliberated upon the case and decided to **remand** the case to RA. The EPCG Authorization No. 0230000515 dated 03.03.2004 maybe regularized subject to fulfillment of relevant policy provisions and submission of a Chartered Engineer certificate that the Capital Goods are obsolete. RA to also verify that the Capital Goods have not been disposed off by the applicant.

Case No- 36: Jai Bajrang Agrofarm Pvt. Ltd., Rohtas (Bihar)
F. No. HQREPCGPRAPP00000197AM24

Subject: Request for extension of EOP for two years i.e. upto 31.12.2023 in respect of EPCG Authorization No. 2130000185 dated 24.04.2014 under 0% Concessional duty- reg.

The firm has stated that they could not complete 100% EO within stipulated time period i.e. 6 years due to the unavoidable reason. The firm has also stated that they can fulfil EO with 25% enhancement (20% enhancement as per Para 5.11 of HBP 2009-14 + 5% enhancement as per Notification No. 28/2015-20 dated 23.09.2021) within extended EOP.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.59 of FTP, 2023** to allow Condonation of delay in approaching RA for EO extension for 2 years (from 6th year to 8th year) on payment of composition fee or imposition of additional EO 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- 37: Arcelor Mittal Nippon Steel India Limited, Mumbai
F. No. HQREPCGPRAPP00000241AM24

Subject: Request for the issuance of EPCG Authorization for the import of Steel Mill Arrangement (SMA) Wheel Loaders – reg.

The submission of the Arcelor Mittal Nippon Steel India Limited is as under :-

i. AMNSIL is a collaborative effort between two prominent global steel companies, Arcelor Mittal and Nippon Steel (AMNS). Their extensive manufacturing facilities encompass various stages of the steel production process, including mining, ore beneficiation, pellet making, iron and steel production, and downstream operations such as cold rolling mills, galvanizing units etc. Currently, AMNSIL possesses a substantial production capacity of 10 MMTPA of steel products. Additionally, there are plans to expand this capacity to 18 MMTPA with a long-term vision of reaching 30 MMTPA across all locations, necessitating significant investments.

ii. In pursuit of their expansion objectives, AMNSIL routinely applies for EPCG Authorizations to facilitate the import of various capital goods, spares, and refractories.

iii. Their recent application under EPCG Scheme for the import of SMA wheel loaders was rejected by RA, Mumbai in terms of Appendix 5F (List of capital goods either permitted or not permitted for import under specific conditions within the EPCG scheme). The rejection letter erroneously categorized SMA Wheel Loaders as 'dumpers' (S.No. 4 of Appendix 5F - Trucks / Tippers / Dumpers and associated spares, including tires).

iv. SMA Wheel Loaders are indispensable equipment in the steelmaking process. At the Hazira facility, where steel is produced using Electric Arc Furnaces (EAF) and Conarc furnaces, the operation generates both liquid steel and slag. The removal and processing of this high-temperature slag, reaching approximately 1500 degrees Celsius are vital tasks and SMA Wheel Loaders are uniquely designed for this purpose. These loaders safely handle and transport the scorching slag through Slag Pot Carriers within the Hazira facility. These critical pieces of equipment are not manufactured in India.

v. SMA Wheel Loaders are categorically distinct from dumpers outlined in Appendix 5F. While dumpers primarily handle materials under normal atmospheric conditions, SMA Wheel Loaders specialize in the specific task of managing extremely hot slag. As per their classification, dumpers fall under Chapter 87 of the ITC HS code, designated as vehicles, whereas SMA Loaders belong to Chapter 84, primarily covering machinery, mechanical appliances, and their components. Given their non-availability within India, the importation of SMA Wheel Loaders is imperative. This fact is supported by a nexus certificate duly certified by a chartered engineer, accompanied by a product brochure, which has been provided with the application.

vi. SMA Wheel Loaders are integral to the steel manufacturing process and thus qualify for importation under the EPCG scheme.

vii. Therefore, they request a thorough reconsideration of the rejection of AMNSIL's EPCG application for the importation of SMA Wheel Loaders.

2. The firm has also attached a copy of the application dated 12.06.2023 addressed to the Ministry of Steel.

3. Ministry of Steel vide their report dated 18.09.2023 to DGFT has stated that they have received an application from applicant i.e. AMNS for import of Slag Pot Carrier and Steel Mill Arrangement (SMA) Wheel Loaders under the EPCG Scheme. MOS has opined that *".... the matter has been examined in this Ministry and it is pertinent to mention that this Ministry had earlier also clarified that such equipment are essentially required in the iron & steel production process in the integrated steel plants*."

Decision: After due deliberation on the request of the firm, Committee is of the view that the Capital goods being imported are not in the negative list under Appendix-5F. Hence, **the Committee decided to recommend to DG to allow issue of the EPCG authorization for import of the Capital Goods on the basis of comments received from Ministry of Steel.** The import of Capital Goods will be subject to the condition that they will be used within the premises of the steel plant.

This has the approval of the DG, DGFT.

Case No- 38: Dispocarve Containers, Chhattisgarh
F. No. HQRPRCAPPLY00000287AM24

Subject: Request to condone the delay in re-exporting of capital goods due to not fit for manufacturing of end/export products in respect of EPCG Authorization No. 6330000265 dated 15.05.2017 under 0% Concessional duty –reg.

The submission of the firm is as under :-

i. They have imported capital goods under subject EPCG authorization and the details of BOE are as under:-

S. No.	BoE & dated	Duty saved value in Rs.
i.	2028936 dated 09.06.2017	68,02,992/-
ii.	3868720 dated 03.11.2017	11,43,813/-
iii.	3268714 dated 16.09.2017	6,60,941/-
	Total	86,07,746/-

ii. After import clearance of Capital goods in FY 2017-18 (dates being 13.06.2017, 09.11.2017 & 16.01.2018), MoEFCC notification No. GSR 571(E) dated 12.08.2021 was issued by the Ministry of Environment Forest and Climate Change whereby manufacturing, storage and export of single use plastic items was banned in India. The export item allowed in the subject EPCG authorization falls under that category.

iii. The applicant intended to manufacture and export thermocol plates and articles against the authorization issued to them but due to non-cooperation in providing complete products information the installation was first delayed and carried out on 01.11.2017. Later, there were frequent technical problems, which resulted in wastage of raw material and due to these constant operational problems, they could not start production properly and were unable to resolve the issue. Hence, their vendor M/s VFK Head Corporation, South Korea has requested to send their machine back to the manufacturer.

iv. Due to the ban declared by Government of India on single use plastic items they could not move forward with the business. Therefore, they approached RA, Nagpur for re-export of imported CGs. RA, Nagpur vide later dated 06.03.2023 has informed them as under :-

> *"Permission to re-export CGs imported under EPCG authorization no. 6330000265 dated 15.05.2017 has been granted, Custom Authority is requested to re-credit debited duty saved value in terms of PN No. 29 dated 09.10.2017 & Para 5.25 of HBP, 2015-20."*

v. However, they could not re-export the CGs imported under above mentioned EPCG Authorization within the stipulated time period due to COVID-19.

vi. They had packed the machine and till date their machine is at Kolkata port as they have not got permission to re-export the machine.

2. Office of the Commissioner of Customs (Port) Kolkata vide letter dated 24.04.2023 informed the applicant as under :-

> *"The period of three years has already lapsed and as per records, there is no plan to re-import / replace the subject goods, Therefore, this case does not fall under the purview of Para 5.25 or DGFT Public Notice 29/2015-20 dated 09.10.2017.*
>
> *In view of the above, the earlier letter dated 01.03.2023 issued by this office to M/s Dispocarve containers (IEC 6316901836) stands withdrawn. This section is not in a position to issue NOC for the proposed re-export of subject goods.*
>
> *You are advised to pay the duty foregone amount along with the applicable interest to Customs authorities and approach DGFT afterwards. Alternatively, you can approach DGFT authorities for further guidance on the policy issue pointed out in Para 4 and Para 5 above."*

3. In view of the above, the applicant has made following requests against EPCG Authorization No. 6330000265 dated 15.05.2017 under 0% Concessional duty :-

i. Allow re-export of CGs not fit for manufacturing of end/export products as per notification issued by the Ministry of Environment Forest ad Climate Change whereby manufacturing, storage and export of Single use plastic items was banned in India.
ii. Allow exemption on payment of customs duty of Rs. 86,07,746/- including interest as per Custom letter dated 24.04.2023.

4. The case was considered in the 4th EPCG Committee Meeting of AM-24 held on 12.09.2023 wherein the Committee deliberated upon the case and decided to defer the case with the directions to call for a factual report from RA concerned regarding permission to re-export CGs imported.

5. RA, Nagpur has furnished the following report vide email dated 10.10.2023 :-

i. The license was issued on 15.05.2017 and EO period expired on 14.05.2023. Vide Letter dated 26.11.2019, the firm has requested for permission to re-export the capital goods as per Para 5.25(a) of HBP 2015-20.

ii. RA vide letter dated 05.03.2020 had given permission for re-export of imported capital goods

iii. The firm vid*e* letter dated 19.04.2023 has requested for the extension of time limit, in response to which RA has rejected the request of the firm vide letter dated 24.04.2023, since there is no provision for extension of permission already granted on 06.03.2020.

iv. RA has rejected the application of the firm since 3 years have expired since the date of Bill of Entry.

6. The applicant has stated that permission was granted by RA for re-export of the goods on 06.03.2020. But they could not re-export due to prevailing Covid-19 pandemic conditions, shutdown of different economic channels, shortage of labour and severe illness of family members due to Covid and other diseases.

Decision: The Committee deliberated upon the case and noted that after import clearance of Capital Goods in FY 2017-18 (on 13.06.2017, 09.11.2017 and 16.01.2018), a Notification No. GSR 571(E) dated 12.08.2021 was issued by the Ministry of Environment Forest and Climate Change whereby manufacturing, storage and export of single use plastic items was banned in India. The export item allowed in the subject EPCG authorization No. 6330000265 dated 15.05.2017 falls under that category. The Committee also noted that the applicant took permission from RA concerned to re-export of Capital Goods on 06.03.2020 but could not export due to the Covid-19 pandemic.

Later, the applicant approached the RA concerned and Customs authority for extension in time limit beyond 3 years but their requests were not acceded to. Therefore, they have approached the EPCG Committee.

The Committee deliberated on the case and decided to **recommend to DG for relaxation under Para 2.59 of FTP, 2023** for condonation of the delay in re-export of Capital Goods imported against EPCG Authorization No. 6330000265 dated 15.05.2017. The applicant shall re-export the Capital Goods within 3 months from the date of uploading the Minutes on the DGFT website.

This has the approval of the DG, DGFT.

Case No- 39: Ashwini Rajendra Naik , Sangli (Maharashtra)
F. No. HQRPRCAPPLY00004711AM23

Subject: Request for extension of 1st Block in respect of EPCG Authorization No. 3130007906 dated 11.04.2014 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. Hence, the firm has requested for extension of 1st Block in order to fulfill their EO against the above authorization.

Decision: The Committee deliberated upon the case and **decided to recommend to DG for relaxation under Para 2.59 of FTP, 2023** to allow extension in block-wise EOP, as the applicant 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/-.

This has the approval of the DG, DGFT.

<u>Case No- 40: Tata Metaliks Di Pipes Limited, Kolkata</u>
F. No. HQREPCGPRAPP00000237AM24

Subject: Request for seeking condonation of delay in submission of application for clubbing of EPCG Authorizations in respect of following 3 EPCG Authorizations:

i. **0230009373 dated 05.03.2014**
ii. **0230009739 dated 28.08.2014**
iii. **0230010061 dated 16.01.2015**

The firm has stated that they availed the subject EPCG Authorization from RA, Kolkata and when they approached the RA for clubbing of the authorization for closing purpose, their request was rejected as per Para 5.27 (f) as "Clubbing would be permitted during valid EOP including extended period".

2. The firm further stated that their exports are continuously going down and their company was merged with Tata Metalik Limited on 22.12.2016. The firm also stated that due to COVID and Ukraine war, their exports are going down and their business is now recovering.

Decision: The Committee deliberated upon the case and **decided to recommend to DG for relaxation under Para 2.59 of FTP, 2023** to allow clubbing of 3 EPCG Authorizations, as the applicant 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 HBP 2009-14 and late fee of Rs. 10,000/- and subject to the condition that the EPCG authorizations should not have been redeemed.

This has the approval of the DG, DGFT.

<u>Case No- 41: Tata Motors Limited, Mumbai</u>
F. No. HQREPCGPRAPP00000234AM24

Subject: Request for Re-Export of defective Capital Goods imported under EPCG Scheme in respect of EPCG Authorization No. 0530175278 dated 19.11.2019 under 0% Concessional duty.

The firm has stated that they had imported 08 set of "NEOVI ion wireless data logger along with accessories" from M/s Intrepid Control Systems, USA in December 2019 under Import item S. No. 50 of the subject EPCG Authorization against BOE No. 6257571 dated 27.12.2019. As per installation certificate dated 10.08.2020 issued by Chartered Engineer, Capital goods were installed on 12.03.2020 against BOE No. 6257571 dated 27.12.2019.

2. The 8 set of the Capital goods were not delivering the desired output. Therefore, the firm approached the foreign supplier who informed vide letter dated 20.02.2023 that the imported goods are required to be sent back to them as rejection.

3. As per 5.25 (a) of HBP, 2015-2020, Capital goods imported under EPCG scheme, which are found defective or unfit for use, may be re-exported to foreign supplier within three years from the date of clearance by Customs of such goods, with permission of RA/Customs Authority.

4. The firm has stated that since 3 years have elapsed on 26.12.2022 from the date of clearance of CGs on 27.12.2019, they can re-export the CGs with the permission of EPCG Committee in relaxation of para 5.25(a) of HBP, 2015-20.

Decision: The Committee deliberated on the case and **decided to recommend to DG for relaxation under Para 2.59 of FTP, 2023** for re-export of the Capital Goods imported against EPCG Authorization No. 0530175278 dated 19.11.2019. The applicant shall re-export the defective/unfit Capital Goods within 3 months from date of uploading the minutes.

This has the approval of the DG, DGFT.

Case No- 42: Arun Plasto Moulders (India)Pvt. Ltd., Chennai
F. No. HQREPCGPRAPP00000224AM24

Subject: Request for condonation of non-mentioning of EPCG Authorization details on 37 nos. shipping bills against EPCG Authorization no. 0430004023 dated 29.08.2006 under 5% Concessional duty.

The firm has said that their request for condonation of non-mentioning of EPCG authorization on Shipping Bills is genuine and have sought its waiver. The firm has also stated that they have filed an affidavit in terms of Policy Circular No. 07/2002 dated 11.07.2002.

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 consideration of free Shipping Bills for purpose of fulfillment of EO. Accordingly, the Committee decided to **reject** the request.

Case No- 43: Gangaur Textile Pvt. Ltd., Surat
F. No. HQRPRCAPPLY00000428AM24

Subject: Request for extension of EOP for 4 Years i.e. from 03.11.2020 to 03.11.2024 in respect of EPCG Authorization No. 5230014936 dated 27.08.2014 under 0% Concessional duty- reg.

The firm has stated that they could not complete their EO within the stipulated time period i.e. 6 years due to some financial reason. Therefore, the firm has requested to extend the EOP by 4 Years i.e. from 03.11.2020 to 03.11.2024 to complete its EO.

Decision: The Committee deliberated upon the case and decided to advise the firm to approach RA for extension of EO period in terms of FTP 2009-14 (if not availed) and the Public Notice No. 53/2015-20 dated 20.01.2023 where extension is permitted on account of COVID.

The Committee further deliberated upon the case and decided that if the applicant desires, they may also approach RA for regularizing the case under the Amnesty Scheme notified vide Public Notice No. 02/2023 dated 02.04.2023 as per the conditions specified therein. RA may examine such request as per policy on merit.

Case No- 44: Twarit Cotton Testing, Indore
F. No. HQRPRCAPPLY00000229AM24

Subject: Request for 1st EOP Extension upto 30.04.2024 i.e. beyond 6 years in respect of EPCG Authorization No. 5630000323 dated 15.05.2013 under 0% Concessional Duty.

The firm has stated that they did not receive the anticipated export orders and in the process of series of attempts to procure export orders, the initial period was expired on 14.05.2019.

2. The firm further stated that due to COVID-19 pandemic, they did not receive export orders and in the late of year 2022, they explored other international markets and they now have export orders. However, the licence is now expired. The year-wise/block-wise export performance of the firm is Nil.

Decision: The Committee decided to advise the firm to approach RA for extension of Export Obligation Period in terms of FTP, 2009-14 (if not availed) and Public Notice No. 53/2015-20 dated 20.01.2023 where extension is permitted on account of COVID.

The Committee further deliberated upon the case and decided that if the applicant desires, they may also approach RA for regularizing the case under the Amnesty Scheme notified vide Public Notice No. 02/2023 dated 02.04.2023 as per the conditions specified therein. RA may examine such request as per policy on merit.

Case No- 45: Tulip Granites Private Limited, Hyderabad
F. No. HQREPCGPRAPP00000069AM24

Subject: Request to Allow Consideration of 6 free Shipping Bills from for purpose of fulfillment of EO in respect of EPCG Authorization No. 0930011856 dated 09.02.2016 under 0% Concessional Duty.

The firm has stated that due to communication gap between their staff, lack of foreign trade document procedure knowledge, and inadvertent error, their CHA did not incorporate the relevant EPCG License numbers and date on the Shipping bills under no incentive free shipping bills. This has resulted in non-compliance of EPCG procedure due to which they could not submit proof of export to RA, Hyderabad. The firm further stated that all the exports pertaining to the company have been made directly without any 3rd party involvement. The export proceeds are also realized in normal banking channels. The firm has also stated that they will not use these shipping bills for closure of any other EPCG licenses and will not use it for any other licenses granted 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- 46: Tulip Granites Private Limited, Hyderabad
F. No. HQREPCGPRAPP00000067AM24

Subject: Request to Allow Consideration of 11 free Shipping Bills from for purpose of fulfillment of EO in respect of EPCG Authorization No. 0930011098 dated 31.03.2015 under 0% Concessional Duty.

The firm has stated that due to communication gap between their staff, lack of foreign trade document procedure knowledge, and inadvertent error, their CHA did not incorporate the relevant EPCG

License numbers and date on the shipping bills under no incentive free shipping bills. This has resulted in non-compliance of EPCG procedure due to which they could not submit proof of export to RA, Hyderabad. The firm further stated that all the exports pertaining to the company have been made directly without any 3rd party involvement. The export proceeds are also realized in normal banking channels. The firm has also stated that they will not use these shipping bills for closure of any other EPCG licenses and will not use it for any other licenses granted 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- 47: Tulip Granites Private Limited, Hyderabad
F. No. HQREPCGPRAPP00000072AM24

Subject: Request to Allow Consideration of 10 free Shipping Bills from for purpose of fulfillment of EO in respect of EPCG Authorization No. 0930013347 dated 07.12.2017 under 0% Concessional Duty.

The firm has stated that due to communication gap between their staff, lack of foreign trade document procedure knowledge, and inadvertent error, their CHA did not incorporate the relevant EPCG License numbers and date on the shipping bills under no incentive free shipping bills. This has resulted in non-compliance of EPCG procedure due to which they could not submit proof of export to RA, Hyderabad. The firm further stated that all the exports pertaining to the company have been made directly without any 3rd party involvement. The export proceeds are also realized in normal banking channels. The firm has also stated that they will not use these shipping bills for closure of any other EPCG licenses and will not use it for any other licenses granted 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- 48: Tulip Granites Private Limited, Hyderabad
F. No. HQREPCGPRAPP00000070AM24

Subject: Request to Allow Consideration of 3 free Shipping Bills from for purpose of fulfillment of EO in respect of EPCG Authorization No. 0930011979 dated 31.03.2016 under 0% Concessional Duty.

The firm has stated that due to communication gap between their staff, lack of foreign trade document procedure knowledge, and inadvertent error; their CHA did not incorporate the relevant EPCG License numbers and date on the shipping bills under no incentive free shipping bills. This has resulted in non-compliance of EPCG procedure due to which they could not submit proof of export to RA, Hyderabad. The firm further stated that all the exports pertaining to the company have been made directly without any 3rd party involvement. The export proceeds are also realized in normal banking channels. The firm has also stated that they will not use these shipping bills for closure of any other EPCG licenses and will not use it for any other licenses granted 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.

<u>Case No- 49: Shree Mahalaxmi Cotton Ginning & Pressing Industries, Andhra Pradesh</u>
F. No. HQREPCGPRAPP00001072AM23

Subject: Request for:

i. **Blockwise Extension**
ii. **1st EOP Extension for 2 years i.e. 8+2 years from 21.09.2019 upto 20.09.2021**
iii. **2nd EOP Extension for 2 years i.e. beyond 8+2 years from 21.09.2021 upto 20.09.2023**

In respect of EPCG Authorization No. 0930007487 dated 21.09.2011 under 03% Concessional Duty.

The firm has stated that they couldn't fulfill their 100% EO in both blocks due to agitation in Andhra Pradesh and Covid-19, wherein they were not able to deploy the materials and labour/technicians (Skilled Manpower) into the way they made the production schedules at first. The firm also stated that due to unawareness of policy procedures they could not take block-wise and 1st EOP extension within the stipulated period and could not submit Installation Certificate.

2. Further, the firm stated that they filed application with RA, Hyderabad for which they were issued a DL dated 20.12.2022 calling for payment of composition fees, extension of validity of BG and payment of penalty for late submission of Installation Certificate. The firm further stated that upon payment of the composition fees they were issued a DL dated 20.01.2023 citing the expiry of EO period and advising to approach DGFT Hqrs.

Decision:

In respect of 1st request:

The Committee deliberated upon the case and **decided to recommend to DG for relaxation under Para 2.59 of FTP 2023** to allow extension in block-wise EOP, as the applicant 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/-

This has the approval of the DG, DGFT.

In respect of 2nd request:

The Committee deliberated upon the case and **decided to recommend to DG for relaxation under Para 2.59 of FTP 2023** 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 EO in terms of Para 5.11 of HBP 2009-14 and late fee of Rs. 10,000/-

This has the approval of the DG, DGFT.

In respect of 3rd request:

The Committee deliberated upon the case and **decided to recommend to DG for relaxation under Para 2.59 of FTP 2023** 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 of HBP 2009-14 and late fee of Rs. 10,000/.

This has the approval of the DG, DGFT.

Case No- 50: ITC Limited, New Delhi
F. No. HQREPCGPRAPP00000514AM23

Subject: Request for Re-fixation of AEO for the AM-10 in respect of EPCG Authorization no. 0530151311 dated 19.02.2010 under 3% Concessional duty-reg.

The Applicant has stated that at the time of issue of EPCG Authorization, they had calculated Average EO without deducting the specific EO. The firm has further stated that at the time of redemption of license, they requested to CLA, New Delhi for re-fixation of Average EO i.e. Rs. 400,85,35,665/- for year 2009-10 as they have not deducted Specific EO used for redemption of earlier license on the basis of data, annual average foreign exchange earnings of Rs. 400,85,35,665/- (for FY 2009-10).

2. CLA, New Delhi vide letter dated 05.03.2021 advised the applicant to approach to EPCG Committee for re-fixation of AEO. Therefore, the firm has requested for re-fixation of AEO as Rs. 400,85,35,665/- instead of Rs.5,073,462,417.33 for year 2009-10 against EPCG Authorization No. 0530151311 dated 19.02.2010. Accordingly, CLA, New Delhi vide email dated 29.03.2023 was requested to send report for the same. Now, CLA, New Delhi vide email dated 26.05.2023 has furnished details.

Decision: The Committee deliberated upon the case and observed that there is no policy relaxation required in this case. RA may examine such request as per policy on merit.

Case No- 51: Tata Metaliks Di Pipes Limited, Kolkata
F. No. HQREPCGPRAPP00000238AM24

Subject: Request for seeking condonation of delay in submission of application for clubbing of EPCG Authorizations in respect of following 6 EPCG Authorizations:

i. **0230010097 dated 04.02.2015**
ii. **0230010096 dated 04.02.2015**
iii. **0230010062 dated 16.01.2015**
iv. **0230009720 dated 26.08.2014**
v. **0230009510 dated 09.05.2014**
vi. **0230009037 dated 22.08.2013**

The firm has stated that they availed the subject EPCG Authorization from RA, Kolkata and when they approached the RA for clubbing of the authorization for closing purpose, their request was rejected as per Para 5.27 (f) as "Clubbing would be permitted during valid EOP including extended period".

2. The firm further stated that their exports are continuously going down and their company was merged with Tata Metalik Limited on 22.12.2016. The firm also stated that due to COVID and Ukraine war, their exports are going down and their business is now recovering.

Decision: The Committee deliberated upon the case and **decided to recommend to DG for relaxation under Para 2.59 of FTP, 2023** to allow clubbing of 6 EPCG Authorizations, as the applicant 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

HBP 2009-14 and late fee of Rs. 10,000/- and subject to the condition that the EPCG authorizations should not have been redeemed.

This has the approval of the 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

[Issued from F. No. 01/36/218/31/AM-24/EPCG]