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MINUTES OF 3rd MEETING OF AM-25 OF THE EPCG COMMITTEE HELD UNDER THE CHAIRMANSHIP OF SHRI HARDEEP SINGH, ADDITIONAL DIRECTOR GENERAL OF FOREIGN TRADE HELD ON 03.06.2024

Third Meeting for AM-25 of the EPCG Committee was held on 03.06.2024 at 12.00 noon the chairmanship of Shri Hardeep Singh, Additional Director General of Foreign Trade in 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 Kumar Malhotra, Deputy Director General of Foreign Trade, DGFT
iv. Shri Joy Prakash, Foreign Trade Development Officer, DGFT

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

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30	Oricon Enterprises Limited, Mumbai	21-22
31	Raja Gears Pvt Ltd, Panchkukla, Chandigarh	22
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33	Mccain Foods India Pvt. Ltd., Delhi	23
34	Surmount Laboratories Pvt. Ltd., Mumbai	23-24
35	Officine Lovato Private Limited, Mumbai	24-25
36	Reliance New Solar Energy Limited, Mumbai	25-26
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39-40	Piccadily Hotels Pvt Ltd, Delhi	28-30

Case No- 1: M/s Mahalaxmi Seeds, Uttarakhand
F. No. HQREPCGPRAPP00000040AM25

Subject: Condonation of delay in submission of installation certificate in respect of EPCG Authorization No. 6130000506 dated 25.10.2016 under Zero duty EPCG Scheme.

In support of their request the firm has submitted that :-

i. They are engaged in producing high class Basmati and Non-Basmati Rice and exporting the same in the international market. For the purpose of development of their operation, they have locally procured several Capital goods and installed the same at their factory premises within the prescribed time line of six months.
ii. This is the first authorization obtained by them and effecting exports to international market was also their 1st endeavour. They are not that much thorough in understanding the related Rules regarding the EPCG Scheme and accordingly, could not submit the Installation Certificate to the RA for completion of the procedure. Even they missed the final deadline of 31.12.2023 as per PN No. 22/2023 dated 13.07.2023.

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 submission of installation certificate, subject to payment of late fee of Rs. 10,000/- and submission of installation certificate. RA to verify that no ECA/DRI/Customs action is pending.

This has the approval of DG, DGFT.

Case No- 2: Atithya Inn Private Limited, Ahmedabad
F. No. HQREPCGPRAPP00000031AM25

Subject: Request for Extension of Block wise EOP in respect of EPCG Authorization No. 0330034125 dated 31.10.2012 under 03% duty EPCG Scheme.

In support of their request the firm has submitted that due to low business, less presence in foreign market, online portal & delay in getting contract signed with overseas travel agent OTA, which affected their foreign tourist business. Due to this they were unable to complete their Block wise EO but they fulfilled the EO with overall validity of EPCG 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 Condonation of delay in approaching the RA for extension in block-wise EOP within the prescribed time period. This shall be subject to payment of 2% composition fee on duty saved amount in proportion to the shortfall at the end of each block in terms of the provisions of Para 5.8.3 of HBP, 2009-14 and late fee of Rs. 10,000/-.

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

This has the approval of DG, DGFT.

Case No- 3: Intech Additive Solutions Private Limited, Bangalore
F. No. HQREPCGPRAPP00002140AM24

Subject: Request for Second EOP Extension for 2 years up to 09.06.2025 i.e. beyond 6+2 years in respect of EPCG Authorization No. 0730012960 dated 09.12.2013 under 0% Concessional Duty.

The firm has stated that they have regularized the 1st block by payment of duty to the Customs Authorities and RA, Bangalore has extended the EO till 09.06.2023 as per PN 53 dated 20.01.2023.

2. The firm further stated they have completed more than 60% of the overall EO. They have requested EOP extension for 2 years up to 09.06.2025 to complete the balance EO.

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

Case No- 4: Intech Additive Solutions Private Limited, Bangalore
F. No. HQREPCGPRAPP00001959AM24

Subject: Request for Second EOP Extension for 2 years i.e. beyond 6+2 years in respect of EPCG Authorization No. 0730012973 dated 13.12.2013 under 0% Concessional Duty.

The firm has stated that they have regularized the 1st block by payments of duty to the Customs Authorities and RA, Bangalore has extended the EO till 12.06.2023 as per PN 53 dated 20.01.2023.

2. The firm further stated they have completed more than 50% of the overall EO. They have requested EOP extension for 2 years to complete the balance EO.

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

Case No- 5: M/s Ghodawat Skystar LLP, Maharashtra
F. No. HQREPCGPRAPP00002136AM24

Subject: Request for:

i. **1st Block Extension**
ii. **Condonation of procedure lapse of wrong-mentioning of EPCG Authorization No. Shipping Bills**

In respect of EPCG Authorization No. 3130008706 dated 02.06.2015 under 0% Concessional Duty.

The firm has stated that they had received 2 EPCG Authorizations i.e. 3130008706 dated 02.06.2015 (subject license) and 3130008424 dated 14.01.2015 (other license) with the same ITCHS Code: 10063020, Item: Non-Basmati Rice, Basmati Rice.

2. The firm stated that they started fulfilling the EO under the other license for exporting the same item and then submitted all their exports for redemption of this license. Further, the firm stated that after the submission of redemption application for the subject license, they noticed that they had not mentioned the subject license against the export of Basmati Rice HS code 10063020. Now, the firm has 14 shipping bills to include for the fulfilment of the subject license.

3. The firm has further stated that since both the license had the same export item name, they, by oversight mentioned only the first EPCG license and started fulfilling the EO. In addition to the above, the firm has also stated that they were unable to fulfill the EO in the 1st block due to poor market conditions and later due to COVID-19 pandemic and they have fulfilled the EO within 6 years only.

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 Condonation of delay in approaching the RA for extension in block-wise EOP 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 5.14 of HBP, 2015-2020 and late fee of Rs. 10,000/-.

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

This has the approval of DG, DGFT.

In respect of 2nd request: 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- 6: M/s Ghodawat Skystar LLP, Maharashtra</u>
F. No. HQREPCGPRAPP00002135AM24

Subject: Request for:

i. **Reduction in Average Export Performance (AEP) to NIL**

ii. **Condonation of procedure lapse of wrong-mentioning of EPCG Authorization No. Shipping Bills**

In respect of EPCG Authorization No. 3130009401 dated 05.05.2016 under 0% Concessional Duty.

The firm has stated that they had received 2 EPCG Authorizations i.e. 3130009401 dated 05.05.2016 (subject license) and 3130008425 dated 14.01.2015 (other license) with the same ITCHS Code: 10063020, Item: Non-Basmati Rice, Basmati Rice.

2. The firm also stated that they started fulfilling the EO under the other license for exporting the same item and then submitted all their exports for redemption of this license.

3. Further, the firm stated that after the submission of redemption application for the other license, they noticed that they had not mentioned the subject license against the export of Basmati Rice HS code 10063020. Now, the firm has 4 shipping bills to include for the fulfilment of the subject license.

4. The firm further stated that since both the license had the same export item name, they, by oversight mentioned only the first EPCG license and started fulfilling the EO. In addition to the above, the firm has also stated that they had already received EODC for the other license and have also fulfilled the EO within a period of 6 years.

Decision: After deliberation on the request of the firm, the Committee decided to **defer** the case to call the applicant for Personal Hearing to explain the case.

Case No- 7: M/s Spintech Textile Industries, Maharashtra
F. No. HQRPRCAPPLY00000433AM25

Subject: Request for 2 years EOP extension beyond 6+2 years i.e. up to 09.01.2025 in respect of EPCG Authorization No. 5030000541 dated 09.01.2015 under Zero duty EPCG Scheme.

In support of their request the firm has submitted that :-

i. They have obtained the subject EPCG authorization for procuring capital goods for their manufacturing unit. It took them more than a year after getting the license to complete the factory and start commercial production. Initially they had concentrated only on the domestic market as they did not have enough expertise in doing export business. They have slowly developed a team to venture into the export market; they have participated in few global expos to promote their product. This exercise continued until end of 2020. It took so much time because they were getting better prices for their product in domestic market.
ii. On 01.02.2021, there was a fire accident in their factory. The accident abruptly halted all the operations and there was no production happening in the factory. The total estimated loss was up to Rs. 9.1 Crores. They have applied for insurance for this accident. The settlement was done in instalments and they have received the final settlement only in August, 2023 and they have received only Rs. 8.2 Crores.

iii. Repairing the factory they raised new capital from their reserves and taken loans from various sources. It took more than 2 years to repair the factory and they were able to restart production June, 2023. They have obtained the block-wise EOP extension and two years EOP extension beyond 6 years i.e. up to 09.01.2023.
iv. They have exports order in hand but unable to export as subject license is expired.

Decision: The Committee 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 dated 20.01.2023 where extension is permitted on account of COVID.

Case No- 8: M/s Cast Craft Private Limited, Bengaluru
F. No. HQRPRCAPPLY00000468AM24

Subject: Request for permission to re-export Capital Goods imported under EPCG Scheme under Para 5.25 of HBP 2015-20 against EPCG Authorization No. 0731000784 dated 26.03.2021

In support of their requested they have submitted as under :-

i. In order to cost-competitive in their export business, they availed the benefit under EPCG Scheme and obtained subject EPCG Authorization.
ii. CG arrived in Chennai Customs House in February, 2021.
iii. They informed RA that the subject CG were received for manufacture of Aeroplane/defence products stating that with prolonged delay they have taken a decision not to go ahead with the setting up of the factory at Sompura.
iv. The products that were to be manufactured with the imported machinery were to be supplied for customers located in Germany, Netherlands, Malaysia, Canada, France etc.
v. Due to impact of Covid-19 pandemics, lock down and war between Russia and Ukraine, they do not anticipate they would be able to manufacture and export the goods out manufactured by the CG in near future.
vi. The Capital Goods were not used by them and expressed their inability to use the imported machinery and the subject machinery has become unfit for use and accordingly they informed RA. The concerned overseas supplier has consented to take back the said machinery.

2. The firm submitted that they approached RA, Bengaluru with a request to permit them to re-export the machinery to the overseas supplier in terms of para 5.25 of HBP 2023. However, RA rejected their request stating that *"Reasons for re-export of Capital Goods not covered under Para 5.25 of HBP 2015-20"*.

Decision: The Committee deliberated upon the case and decided to **defer** it with the direction to call for proof from Jurisdictional GST Authority that the Capital goods imported against the EPCG Authorization No. 0731000784 dated 26.03.2021 have not been used by the firm and are lying in a packed condition.

Case No- 9: M/s Cast Craft Private Limited, Bengaluru
F. No. HQRPRCAPPLY00000467AM24

Subject: Request for permission to re-export Capital Goods imported under EPCG Scheme under Para 5.25 of HBP 2015-20 against EPCG Authorization No. 0731000783 dated 26.03.2021

In support of their requested they have submitted as under :-

i. In order to cost-competitive in their export business, they availed the benefit under EPCG Scheme and obtained.
ii. CG arrived in Chennai Customs House in February, 2021.
iii. They informed RA that the subject CG were received for manufacture of Aeroplane/defence products stating that with prolonged delay they have taken a decision not to go ahead with the setting up of the factory at Sompura.
iv. The products that were to be manufactured with the imported machinery were to be supplied for customers located in Germany, Netherlands, Malaysia, Canada, France etc.
v. Due to impact of Covid-19 pandemics, lock down and war between Russia and Ukraine, they do not anticipate they would be able to manufacture and export the goods out manufactured by the CG in near future.
vi. The Capital Goods were not used by them and expressed their inability to use the imported machinery and the subject machinery has become unfit for use and accordingly they informed RA. The concerned overseas supplier has consented to take back the said machinery.

2. The firm submitted that they approached RA, Bengaluru with a request to permit them to re-export the machinery to the overseas supplier in terms of para 5.25 of HBP 2023. However, RA rejected their request stating that "Reasons for re-export of Capital Goods not covered under Para 5.25 of HBP 2015-20".

Decision: The Committee deliberated upon the case and decided to **defer** it with the direction to call for proof from Jurisdictional GST Authority that the Capital goods imported against the EPCG Authorization No. 0731000783 dated 26.03.2021 have not been used by the firm and are lying in a packed condition.

Case No- 10: M/s Tata Motors Limited, Mumbai
F. No. HQREPCGPRAPP00000086AM25

Subject: Request for Condonation of delay in submission of installation certificate in respect of EPCG Authorization No. 0530175278 dated 19.11.2019 under Zero duty EPCG Scheme.

In support of their request the firm has submitted that :-

i. The 63 Line items of EPCG License were installed within 18 months out of total imported 66 line items of EPCG License as per date evident on installation certificate issued and submitted to CLA on 06.02.2024.
ii. Installation certificate was also obtained from Chartered Engineer within 18 months for 61 Line items of EPCG License within 18 months from the dated of completion of imports out of total imported 66 line items of EPCG License.

iii. The delay of submission in 29 months beyond 18 months due to impact of Covid 19 pandemic in 2020 and second surge in Covid 19 in 2021. The Government has imposed lockdown during COVID period and after COVID also. Plant was also closed. As a result, 03 line items of Capital Goods of EPCG License could not instaled within the prescribed time period.
iv. The DGFT Public Notice No. 22/2023 dated 13th July, 2023 allowed relaxation for submission of Installation Certificate confirming installation of the Capital Goods to RA beyond prescribed time period of 18 months up to 31.12.2023 on payment of late fees of Rs.10,000/- per authorization (in addition to composition fees wherever applicable).
v. They attempted to avail that opportunity but could not submit installation certificate within the prescribed time period as allowed in DGFT Public Notice No. 22/2023 dated 13.07.2023 . The DGFT portal not allowed due to the same EPCG License was already in process in CLA for approval of Annual report submitted online and also for Re-export approval.

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 submission of installation certificate, subject to payment of late fee of Rs. 10,000/- and submission of installation certificate. RA to verify that no ECA/DRI/Customs action is pending.

This has the approval of DG, DGFT.

Case No- 11: M/s Harimohan Agro Industries, Maharashtra
F. No. HQREPCGPRAPP00000236AM24

Subject: Review Application w.r.t. Request for:

i. **Extension of EOP in terms of PN 67 dated 20.08.2008**
ii. **Amendment in export products and inclusion of export products**

In respect of EPCG Authorization No. 0330000867 dated 01.02.2001 under 05% Concessional Duty.

The case was considered in the 8th EPCG Committee Meeting of AM-24 held on 26.12.2023. The decision of which is 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. 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."*

2. The firm was granted an opportunity for hearing today but none appeared.

Decision: The Committee deliberated upon the case and decided to grant one last opportunity of Personal hearing to the firm. Accordingly, the case stands **deferred**.

Case No- 12: M/s Diamond King, Surat
F. No. HQREPCGPRAPP00000044AM25

Subject: Request for EOP Extension up to 16.03.2025 i.e. 6+4 years in respect of EPCG Authorization No. 5230016298 dated 16.03.2015 under 0% Concessional Duty.

The firm has stated that they have completed the export during 2016 to 2024 for Rs. 39,55,64,915.33 against the total EO of Rs. 27,51,32,649.33. Even though, they have completed higher exports than required, by oversight, the EPCG Authorization no. was not endorsed on the shipping bills. Hence, they have requested for EOP extension so that they could complete the EO with new shipping bills.

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 subject to the condition that the proper installation certificate has been submitted within time limits as specified in FTP/HBP. This has the approval of DG, DGFT.

This has the approval of DG, DGFT.

The Committee 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 dated 20.01.2023 where extension is permitted on account of COVID.

Case No- 13: M/s Diamond King, Surat
F. No. HQREPCGPRAPP00000041AM25

Subject: Request for EOP Extension up to 19.02.2026 i.e. 6+4 years in respect of EPCG Authorization No. 5230019638 dated 19.02.2016 under 0% Concessional Duty.

The firm has stated that they have completed the export during 2016 to 2024 for Rs. 33,61,21,616.33 against the total EO of Rs. 24,97,60,803.33. Even though, they have completed higher exports than required, by oversight, the EPCG Authorization no. was not endorsed on the shipping bills. Hence, they have requested for EOP extension so that they could complete the EO with new shipping bills.

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 5.17 of HBP 2015-20 and late fee of Rs.10,000/-.

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

This has the approval of DG, DGFT.

The Committee 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 dated 20.01.2023 is where extension permitted on account of COVID.

Case No- 14: M/s Nisha Designs, Karnataka

F. No. HQREPCGPRAPP00000046AM25

Subject: Request for waive-off of Average Export Obligation (AEO) in respect of EPCG Authorization No. 0731002410 dated 18.11.2021 under 0% Concessional Duty.

The firm has stated that their export orders have declined substantially during the phase of COVID and they were required to maintain AEO of Rs. 99.7 Crores.

2. Further, the firm has stated that they have not claimed any benefits in terms of relief provided for maintenance of average export performance vide various policy circulars issued under para 5.19 or 5.19A of HBP 2015-2020.

3. In Addition, the firm has stated that the major shortfall in maintenance of annual turnover was during the financial year 2020-2021, which was Covid-19 duration, where in Government has allowed overall 30% leverage only but their sales were done for complete financial year on account of repeated COVID waves.

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- 15: Ganjam Nagappa & Son Private Limited, Bangalore
F. No. HQREPCGPRAPP00000016AM25

Subject: Request for Second EOP Extension for 2 years up to 31.12.2025 i.e. beyond 6+2 years in respect of EPCG Authorization No. 0730014114 dated 01.01.2015 under 0% Concessional Duty.

The firm has stated that due to the demise of the Joint Managing Director and other key employees handling the operations, their business was severely impacted. The firm further stated they owing to COVID-19 pandemic, the lockdown and restrictions led to drastic decline in the business.

Decision: The Committee 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 dated 20.01.2023 is where extension permitted on account of COVID.

Case No- 16: M/s SRF Limited, Gurugram
F. No. HQREPCGPRAPP00000081AM25

Subject: Request for Condonation of delay in submission of installation certificate in respect of Post Export EPCG Authorization No. 0530176436 dated 14.10.2020 under Zero duty EPCG Scheme.

In support of their request the firm has submitted that :-

i. All the Capital Goods were installed within 18 months as per date evident on installation certificate issued and submitted to RA on 26.02.2024.

ii. Post Export EPCG Licence was obtained by them first time and Para 5.28 (d) of HBP 2015-20 was not correctly interpreted and assumed as if the installation certificates are to be obtained and submitted at the time of issuance of first duty credit scrip.
iii. They submitted the installation certificate to Customs office on 23.06.2022 within 18 months from the date of completion of imports.

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 submission of installation certificate, subject to payment of late fee of Rs. 10,000/- and submission of installation certificate. RA to verify that no ECA/DRI/Customs action is pending.

This has the approval of DG, DGFT.

<u>Case No- 17: Schaeffler India Limited, Pune</u>
F. No. HQRPRCAPPLY00000728AM25

Subject: Request for Extension of Block wise EOP in respect of EPCG Authorization No. 3130008236 dated 14.10.2014 under 0% duty EPCG Scheme.

In support of their request the firm has submitted that :-

i. They have fulfilled 100% Export Obligation in respect of the subject EPCG Authorization. However, unable to fulfill the block wise EO.
ii. They have informed that the subject authorization was obtained in the name of M/s INA Bearings India Pvt. Ltd. However, post merger of INA Bearings with M/s Schaeffler India Limited, the authorization was amended suitably. They have submitted a copy of Licence amendment sheet issued by RA, Pune.

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 the RA for extension in block-wise EOP within the prescribed time period. This shall be subject to payment of 2% composition fee on duty saved amount in proportion to the shortfall at the end of each block in terms of the provisions of Para 5.8.3 of HBP, 2009-14 and late fee of Rs. 10,000/-.

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

This has the approval of DG, DGFT.

<u>Case No- 18: Reliance Industries Ltd, Navi Mumbai</u>

Subject: Request for Condonation of delay in installation of capital goods in respect of 27 EPCG Authorization under 0% concessional duty.

S. No.	EPCG Committee File no.	Authorization No. & date
1.	HQREPCGPRAPP00000051AM25 dated 20.04.2024	0330044993 dt. 03.08.2016

2.	HQREPCGPRAPP00000052AM25 dated 20.04.2024	0330045161 dt. 24.08.2016
3.	HQREPCGPRAPP00000053AM25 dated 20.04.2024	0330045533 dt. 18.10.2016
4.	HQREPCGPRAPP00000054AM25 dated 20.04.2024	0330045651 dt. 28.10.2016
5.	HQREPCGPRAPP00000055AM25 dated 20.04.2024	0330046059 dt. 28.12.2016
6.	HQREPCGPRAPP00000056AM25 dated 20.04.2024	0330046451 dt. 16.02.2017
7.	HQREPCGPRAPP00000057AM25 dated 20.04.2024	0330046592 dt. 06.03.2017
8.	HQREPCGPRAPP00000058AM25 dated 20.04.2024	0330046747 dt. 25.03.2017
9.	HQREPCGPRAPP00000059AM25 dated 20.04.2024	0330046494 dt. 22.02.2017
10.	HQREPCGPRAPP00000060AM25 dated 20.04.2024	0330047896 dt. 03.10.2017
11.	HQREPCGPRAPP00000061AM25 dated 20.04.2024	0330043336 dt. 23.12.2015
12.	HQREPCGPRAPP00000062AM25 dated 19.04.2024	0330042130 dt. 16.07.2015
13.	HQREPCGPRAPP00000063AM25 dated 21.04.2024	0330049911 dt. 19.09.2018
14.	HQREPCGPRAPP00000064AM25 dated 21.04.2024	0330047550 dt. 12.07.2017
15.	HQREPCGPRAPP00000065AM25 dated 19.04.2024	0330044113 dt. 11.04.2016
16.	HQREPCGPRAPP00000066AM25 dated 22.04.2024	0330044120 dt. 11.04.2016
17.	HQREPCGPRAPP00000067AM25 dated 21.04.2024	0330045803 dt. 29.11.2016
18.	HQREPCGPRAPP00000068AM25 dated 21.04.2024	0330047372 dt. 15.06.2017
19	HQREPCGPRAPP00000069AM25 dated 21.04.2024	0330047614 dt. 28.07.2017
20.	HQREPCGPRAPP00000070AM25 dated 21.04.2024	0330047794 dt. 11.09.2017
21.	HQREPCGPRAPP00000071AM25 dated 21.04.2024	0330039441 dt. 06.08.2014
22.	HQREPCGPRAPP00000072AM25 dated 21.04.2024	0330040299 dt. 26.11.2014
23.	HQREPCGPRAPP00000073AM25 dated 21.04.2024	0330048755 dt. 21.02.2018
24.	HQREPCGPRAPP00000074AM25 dated 21.04.2024	0330040506 dt. 18.12.2014
25.	HQREPCGPRAPP00000050AM25 dated 21.04.2024	0330044909dt. 26.07.2016
26.	HQREPCGPRAPP00000049AM25 dated 21.04.2024	0330044336 dt. 11.05.2016
27	HQREPCGPRAPP00000047AM25 dated 19.04.2024	0330044095 dt. 05.04.2016

The firm has stated that they are currently implementing many projects at various sites and they planned investment in those project is more than Rs. 75,000 crores. Once completion those projects would add significantly to their existing exports directly adding to the country's exports.

2. The firm has also stated that they have opted EPCG Scheme for imports of many of the CGs and spares required for execution of the projects.

3. The firm has further stated that they have completed the installation of the last imported CGs under EPCG authorisations but the date of installation is beyond the prescribed time limit which is delayed beyond 18 months from the last date of import as per para 5.04(c) of HBP, 2015-20.

4. In addition, the firm has stated that they have already paid Rs. 15,000/- as composition fee plus late fee as per PN No. 22 dated 13.07.2023.

Decision: The Committee deliberated upon the case and decided to **defer** it with the direction to call for specific reasons for delay in the installation of capital goods by the firm against subject EPCG authorisatons.

Case No- 19: Lemonchilli Farms Private Limited, Hyderabad
F. No. HQREPCGPRAPP00000082AM25

Subject: Request for Migration to EPCG Scheme from 100% EOU-reg.

In this regard the firm submitted that they have applied for migration of their Agriculture Unit from 100% EOU to EPCG Scheme. RA raised some queries and they replied as under :-

i. RA stated that "some of the items proposed to be procured under this application are structural items that fall under Appendix 5F.

- They replied that none of the items as per the statement issued by Customs are covered under Appendix 5F.

ii. RA raised a query that Green house items, prefab Green House and Automation and plastic tray (as they are prohibited under Appendix 5F) and retain only items classified as: Gear motor.

- They replied that Green house material was already imported as allowed by the Development Commissioner, as their unit being 100% EOU. They are now migrating from EOU to EPCG Scheme. As per Para 5.01 of FTP 2023, EPCG Scheme allows import of capital goods (except those specified in negative list in Appendix5F) for pre-production, production and post-production at Zero custom duty.
- The Green House is not construction material like sheds covered under S.No.9 or a pre-fabricated Polyurethane Foam (PUF) panels/doors covered under S.No.13 and 15. Directorate General of Export Promotion and Customs Notification No.52/2003 dated 31.03.2003 , confirms the necessity of Green House Equipment Covered under Annexure-II for the purpose of production, manufacture or packaging of articles specified in Annexure-II for export in agriculture sector.

iii. As per Customs Notification No. 26/2023 dated 01.04.2023, for EPCG Scheme, at Para (8)(ii) covers IRRIGATION EQUIPMENT for use in contract farming for export of Agricultural products. So, all Irrigation Equipments are covered under EPCG Scheme.

Decision: The representative of the Department of Revenue stated that the case is for clarification and not a policy relaxation. The Committee deliberated upon the case and decide to **withdraw** the case for further examination on file.

Case No- 20: Lexi Private Limited, Mumbai
F. No. HQREPCGPRAPP00000029AM25

Subject: Review of decision of the EPCG Committee Meeting No.10AM/24 dated 09.02.2024 (Case No. 6) waiver of maintaining the Annual Average Export obligation in respect of 03 EPCG Authorizations under Zero duty EPCG Scheme.

i. **0330043812 dated 26.02.2016**
ii. **0330046345 dated 03.02.2017**
iii. **0330047139 dated 16.05.2017**

In support of their request the firm has submitted that :-

i. Imports have been completed within the prescribed time period. Installation certificate against all the subject authorizations have been submitted with RA within the prescribed time period.
ii. 100% Specific Export Obligation has been fulfilled against all the subject authorizations within first block itself. 100% payment against all exports made has been realized.
iii. They were unable to fulfill 100% Average Export obligation due to political instability in their major volume based exporting countries like Iran, Dubai, Libiya, Ukraine, Argentina & Turkey. Anti dumping duty in Egypt. Copies of Lexi popular pens from China & inferior quality copies of Lexi pens provided by other companies.
iv. Moreover, with the aggressive price competition & sudden alternatives available in the market, many of their customers started asking too lower prices for their pens which was practically not workable due to which many of their expected export orders also did not reach them. Many other major Indian pen manufacturers suffered losses during that period too.
v. They were completely shaken up with all this but their marketing team was struggling hard to keep their exports going on in the international market with the support from their well established customers in few countries.
vi. Due to above stated genuine hardship faced by them, they lost a sizeable market share during that time as a result of which they were unable to fulfill 100% Average Export obligation against their EPCG authorizations.

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

Case No- 21: Lexi Private Limited, Mumbai

F. No. HQREPCGPRAPP00000034AM25

Subject: Review of decision of the EPCG Committee Meeting No.10AM/24 dated 09.02.2024 (Case No. 5) waiver of maintaining the Annual Average Export obligation in respect of 5 EPCG Authorizations under Zero duty EPCG Scheme.

i. **0330041911 dated 17.06.2015**
ii. **0330042405 dated 14.08.2015**
iii. **0330043029 dated 17.11.2015**
iv. **0330044377 dated 18.05.2016**
v. **0330044705 dated 29.06.2016**

In support of their request the firm has submitted that :-

i. Imports have been completed within the prescribed time period. Installation certificate against all the subject authorizations have been submitted with RA within the prescribed time period.
ii. 100% Specific Export Obligation has been fulfilled against all the subject authorizations within first block itself. 100% payment against all exports made has been realized.
iii. The Moulds & Spares imported under the above mentioned EPCG licenses were used to produce different sizes and shapes of pens. In their pen like fast moving industry, the preferences of customer changes on every day basis. Moulds need to be changed seeking the customer preferences which mean there is no certainty of a similar business using a particular Mould over a particular period of time.
iv. As a result of which it is very difficult to maintain consistent Average Export Performance too & hence they feel that the requirement of maintaining Average Export performance for licenses with import of Moulds should be completely waived off. On the contrary may be fulfilling an increased SEO can be preferred.

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

Case No- 22: Premier Spintex Private Limited, Gujarat
F. No. HQREPCGPRAPP00000042AM25

Subject: Request for Clarification regarding Surrender/Closure of EPCG Authorization No. 0830009491 dated 12.04.2017 under EPCG concessional Zero Duty EPCG Scheme.

In support of their request the firm submitted that :-

i. They have obtained the subject EPCG authorizations along with 13 invalidation letters for procurement of domestic Capital Goods. The Goods have been procured and installed by them. However, refund of TED or any other deemed export benefit has not been claimed by them or their supplier against the subject EPCG Authorization.
ii. They have surrendered original EPCG License along with both original copies of invalidation letters to RA, Ahmedabad for surrender and closure of their license. In

addition they have also submitted affidavit/indemnity bond issued by them and their suppliers stating refund of TED or any other deemed export benefit has been claimed or will be claimed.

iii. RA, Ahmedabad has issued them a deficiency letter stating the license cannot be surrendered as the machinery has been supplied and installed by them.

Decision: The representative of the Department of Revenue stated that the case is for clarification and not a policy relaxation. The Committee deliberated upon the case and decide to **withdraw** the case for further examination on file.

<u>Case No- 23: Aludecor Lamination Pvt ltd, Kolkata</u>
F. No. HQREPCGPRAPP00000087AM25

Subject: Request for Condonation of delay in submission of installation certificate in respect of EPCG Authorization No. 0230012616 dated 17.07.2017 under Zero duty EPCG Scheme.

In support of their request the firm has submitted that they have submitted the subject EPCG authorization for EODC in RA. However, due to late submission of the installation certificate they ask to approach EPCG Committee for condonation of delay in submission of installation certificate.

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 submission of installation certificate, subject to payment of late fee of Rs. 10,000/- and submission of installation certificate. RA to verify that no ECA/DRI/Customs action is pending.

This has the approval of DG, DGFT.

<u>Case No- 24: M/s Aaron Fabirics, Ludhiana</u>
F. No. HQRPRCAPPLY00000709AM25

Subject: Request for Condonation of block wise EOP and 1st EOP extension for 2 years + Covid extension in respect of EPCG Authorization No. 3030013262 dated 19.11.2014 under Zero duty EPCG Scheme.

In support of their request the firm has submitted that :-

i. At the time of issuance of subject authorization the firm was run by two partners i.e. Mr. Dipanshu Singla and Mr. Rajesh Kumar in which Mr. Dipanshu Singla was the active partner and Mr. Rajesh Kumar was the silent partner. On 7th March 2023, Mr. Dipanshu Singla resigned from the firm without giving any prior notice.

ii. They have received a show cause notice from DGFT Ludhiana on 3rd January, 2024 and they came to know about pending EO. Upon discussing with the outgoing partner, he confirmed that 3rd party export was done but they did not mention EPCG license number on shipping bills. Further, due to the COVID 19 pandemic, subsequent export activities were hindered.

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 Condonation of delay in approaching the RA for extension in block-wise EOP within the prescribed time period. This shall be subject to payment of 2% composition fee on duty saved amount in proportion to the shortfall at the end of each block in terms of the provisions of Para 5.8.3 of HBP, 2009-14 and late fee of Rs. 10,000/-.

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

This has the approval of DG, DGFT.

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 EO extension for 2 years (from 6th to 8th year) on payment of 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 subject to the condition that proper installation certificate has been submitted within time limits as specified.

This has the approval of DG, DGFT.

The Committee 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 dated 20.01.2023 where extension is permitted on account of COVID.

<u>Case No- 25: Simta Clear Coats Pvt Ltd, Coimbatore</u>
F. No. HQREPCGPRAPP00000079AM25

Subject: Request for EOP extension for 4 years (6+2+2 years) in respect of EPCG Authorization No. 3230023862 dated 23.03.2016 under Zero duty EPCG Scheme.

In support of their request the firm has submitted that :-

i. They are specializes in the manufacture of UPVC Profiles. Over the years, they have established a reputable brand that has recently been receiving numerous export inquiries for their products.
ii. Their vision aligns with the make in India initiative, aiming to introduce India's quality products to the world. The UPVC Profile market growing at a rate of 7% CAGR annually, and they are confident in their ability to meet export requirements.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.59 of FTP, 2023** to allow EO extension for 2 years (from 6th to 8th year) on payment of payment of composition fee or imposition of additional EO in terms of Para 5.17 of HBP, 2015-2020 and late fee of Rs. 10,000/-.

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

This has the approval of DG, DGFT.

The Committee 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 dated 20.01.2023 where extension is permitted on account of COVID.

<u>Case No- 26: Simta Clear Coats Pvt Ltd, Coimbatore</u>
F. No. HQREPCGPRAPP00000078AM25

Subject: Request EOP extension for 4 years (6+2+2 years) in respect of EPCG Authorization No. 3230024618 dated 23.08.2016 under Zero duty EPCG Scheme.

In support of their request the firm has submitted that :-

i. They are specializes in the manufacture of UPVC Profiles. Over the years, they have established a reputable brand that has recently been receiving numerous export inquiries for their products.
ii. Their vision aligns with the make in India initiative, aiming to introduce India's quality products to the world. The UPVC Profile market growing at a rate of 7% CAGR annually, and they are confident in their ability to meet export requirements.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.59 of FTP, 2023** to allow EO extension for 2 years (from 6th to 8th year) on payment of payment of composition fee or imposition of additional EO in terms of Para 5.17 of HBP, 2015-2020 and late fee of Rs. 10,000/-.

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

This has the approval of DG, DGFT.

The Committee 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 dated 20.01.2023 where extension is permitted on account of COVID.

<u>Case No- 27: Simta Clear Coats Pvt Ltd, Coimbatore</u>
F. No. HQREPCGPRAPP00000077AM25

Subject: Request for EOP extension for 4 years (6+2+2 years) in respect of EPCG Authorization No. 3230024258 dated 10.06.2016 under Zero duty EPCG Scheme.

In support of their request the firm has submitted that :-

i. They are specializes in the manufacture of UPVC Profiles. Over the years, they have established a reputable brand that has recently been receiving numerous export inquiries for their products.
ii. Their vision aligns with the make in India initiative, aiming to introduce India's quality products to the world. The UPVC Profile market growing at a rate of 7% CAGR annually, and they are confident in their ability to meet export requirements.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.59 of FTP, 2023** to allow EO extension for 2 years (from 6th to 8th year) on payment of payment of composition fee or imposition of additional EO in terms of Para 5.17 of HBP, 2015-2020 and late fee of Rs. 10,000/-.

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

This has the approval of DG, DGFT.

The Committee 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 dated 20.01.2023 where extension is permitted on account of COVID.

Case No- 28: Belrise Industries Limited, Aurangabad, Maharshtra
F. No. HQRPRCAPPLY00000289AM25

Subject: Request for Condonation of Block-wise EOP and 2 years EOP extension beyond 6 years against EPCG authorization No. 3130005099 dated 13.09.2010 issued under Zero duty scheme.

In support of their request the firm has submitted that :-

i. Due to recession and lack of exports orders they were unable to fulfill the block wise EO as well as EO during the initial EOP. However, they have completed EO within 08 years.
ii. They have not obtained block wise and EOP extension. No amendment sheet is available.
iii. Existing EOP is up to 13.09.2016.
iv. 2 years EOP extension required i.e. 6+ 2 years.
v. They have attached copy of EPCG authorization and copy of installation certificate (in the name of Badve Engineering),
vi. Copy of Certificate of Incorporation pursuant to change of name from Badve Engineering Limited to Belrise Industries Limited from Office of the Registrar of Companies change.

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 Condonation of delay in approaching the RA for extension in block-wise EOP within the prescribed time period. This shall be subject to payment of 2% composition fee on duty saved amount in proportion to the shortfall at the end of each block in terms of the provisions of Para 5.8.3 of HBP, 2009-14 and late fee of Rs. 10,000/-.

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

This has the approval of DG, DGFT.

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 EO extension for 2 years (from 6th to 8th year) on payment of 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 subject to the condition that proper installation certificate has been submitted within time limits as specified.

This has the approval of DG, DGFT.

<u>Case No- 29: Tata Steel Limited, Kolkata</u>
F. No. HQREPCGPRAPP00000039AM25

Subject: Request for Condonation of delay in installation of CGs and submission of installation certificate in respect of 31 EPCG Authorizations under Zero duty EPCG Scheme.

S. No.	License No. & Date	S. No.	License No. & Date
1.	0230013760 dt 24.06.2019	17.	0230014547 dt 11.08.2020
2.	0230013983 dt 04.11.2019	18.	0230014596 dt 26.08.2020
3.	0230013817 dt 31.07.2019	19.	0230014657 dt 22.09.2020
4.	0230013852 dt 20.08.2019	20.	0230014700 dt 19.10.2020
5.	0230013818 dt 01.08.2019	21.	0230014693 dt 07.10.2020
6.	0230014011 dt 11.11.2019	22.	0231000131 dt 21.01.2021
7.	0230014061 dt 04.12.2019	23.	0231000198 dt 27.01.2021
8.	0230014062 dt 04.12.2019	24.	0231000332 dt 26.02.2021
9.	0230014123 dt 19.12.2019	25.	0231000668 dt 10.05.2021
10.	0230014167 dt 09.01.2020	26.	0231000764 dt 07.06.2021
11.	0230014122 dt 19.12.2019	27.	0231000333 dt 02.03.2021
12.	0230014251 dt 07.02.2020	28.	0230013811 dt 30.07.2019
13.	0230014245 dt 05.02.2020	29.	0230014694 dt 09.10.2020
14.	0230014247 dt 06.02.2020	30.	0231000671 dt 10.05.2021
15.	0230014283 dt 25.02.2020	31.	0231000766 dt 08.06.2021
16.	0230014302 dt 04.03.2020		

In support of their request the firm has submitted that :-

1. They have procured capital goods under different Post export EPCG licenses (31 Nos.) during the period from June, 2019 to Feb 2022. CGs imported under all the 31 licenses have been installed but beyond the period of 18 months from the date of import. Installation certificates have been submitted before RA, Kolkata, against 22 licenses. In respect of 9 licenses, uploading of installation certificate in DGFT portal is under process.

2. The main reason causing delay in installation of Capital goods is as under :-

i. Delay in construction due to Covid 19 pandemic
ii. Rescheduling of blast furnace -2 project
iii. Availability of labour was low, and the project could not move as expected due to Covid 19 restrictions. Unavailability of foreign supervisors during pandemic period.
iv. Prolonged rainy season the site was flooded, thus, project could not move as per the plan. Heavy rainfall and multiple cyclonic storms disrupted the place of construction work.
v. Shortage of industrial oxygen for construction application during the Covid period. Logistic facility was also hampered due to restriction imposed on trailer drivers for entry inside plant during pandemic period.
vi. They have fulfilled the required EO against all the 31 licenses within time. Objective of the policy i.e. actual user condition has also been complied in the 31 licenses as a Capital goods imported are installed in the premises of TSL. A certificate from an independent Chartered Engineer regarding the installation of capital goods in the premises of TSL attached with the application.
vii. Post installation of CGs, they have submitted installation certificate before RA, Kolkata, however due to delay in installation, it was advised by DGFT authorities to represent the matter before the EPCG Committee to get the approval for condonation of delay in installation and submission of installation certificate.

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 CGs against the 31 subject EPCG authorsiations and submission of installation certificate, subject to payment of late fee of Rs. 10,000/- per authorization and submission of installation certificate. RA to verify that no ECA/DRI/Customs action is pending.

This has the approval of DG, DGFT.

Case No- 30: Oricon Enterprises Limited, Mumbai
F. No. HQREPCGPRAPP00000083AM25

Subject: Request for Condonation of delay in submission of installation certificate in respect of EPCG Authorization No.0330046035 dated 23.12.2016 under Zero duty EPCG Scheme.

In support of their request the firm has submitted that :-

i. They have submitted original installation certificate on 7th April, 2017. Due to change of person, they could not trace the DGFT acknowledgement receipt.
ii. Now, they have submitted their case for redemption through online as they have to submit the installation certificate online. After submission of installation certificate online they have received a DL from RA stating that Installation certificate is not submitted in prescribed time limit and advised to approach EPCG Committee for condonation of delay in submission of installation certificate.

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 submission of installation certificate, subject to payment of late fee of Rs. 10,000/- and submission of installation certificate. RA to verify that no ECA/DRI/Customs action is pending.

This has the approval of DG, DGFT.

Case No- 31: Raja Gears Pvt Ltd, Panchkukla
F. No. HQREPCGPRAPP00000089AM25

Subject: Request for 2 years EOP extension beyond (8+2 years) i.e. up to 26.03.2019 in respect of EPCG Authorization No. 2230000623 dated 27.03.2007 under 3% duty EPCG Scheme.

The firm has stated that they have submitted their application for EOP extension for 2 years beyond (8+2 years) at RA, Ludhiana for regularizing the export made beyond the validity of license. However they have not received any reply from them.

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

Case No- 32: Rohan BRC Gas Equipment Private Limited
F. No. HQREPCGPRAPP00000084AM25

Subject: Request for Condonation of 1st Block EOP and delay in submission of installation certificate in respect of EPCG Authorization No. 0830007345 dated 06.07.2015 under Zero duty EPCG Scheme.

In support of their request the firm has submitted that they could not submit the installation certificate to RA in time and could not complete 50% EO in first block due to cancellation of exports orders.

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 Condonation of delay in approaching the RA for extension in block-wise EOP 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 5.14 of HBP, 2015-2020 and late fee of Rs. 10,000/-.

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

This has the approval of DG, DGFT.

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 submission of installation certificate, subject to payment of late fee of Rs. 10,000/- and submission of installation certificate. RA to verify that no ECA/DRI/Customs action is pending.

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

This has the approval of DG, DGFT.

Case No- 33: McCain Foods India Pvt Ltd, Delhi
F. No. HQREPCGPRAPP00000088AM25

Subject: Request for allowing re-adjustment of AEO in term of turnover of FY 2021, FY 21-22 and FY 22-23 in respect of EPCG Authorization No. 0831011410 dated 01.05.2024 under 0% Concessional Duty.

The firm has stated that they filed an EPCG application on 22 March 2024 with all required documents, after that the firm was bound to amend the application on 03 April 2024. On amendment, the system automatically updated FY 20-21 with FY 23-24 considering it to be an application filed in FY 24-25.

2. The firm has also stated that they discussed that with the local RA office but RA did not agree and hence the firm was bound to include FY 23-24 turnover so that the license can be issued before the physical imports happen.

3. In addition, a deficiency vide letter dated 09.04.2024 issued by RA, Ahmedabad to the firm and stated that :-

i. Many EPCG whose EO has expired are shown as pending in System. Firm to update EO status of past license whose EO has expired.
ii. Export performance of FY 2023-24 is shown as Zero. Firm to update the same and resubmit.

4. Further, again a deficiency vide letter dated 23.04.2024 issued by RA, Ahmedabad to the firm and stated that “You have not complied with the DL issued earlier. You have to maintain AEP for the preceding year AM 24 also.”

Decision: The representative of the Department of Revenue stated that the case is for clarification and not a policy relaxation. The Committee deliberated upon the case and decide to **withdraw** the case for further examination on file.

Case No- 34: Surmount Laboratories Pvt Ltd, Mumbai
F. No. HQREPCGPRAPP00000076AM25

Subject: Request for Condonation of delay in submission of Installation Certificate in respect of EPCG Authorization No. 0330036824 dated 19.09.2013 under 0% Concessional Duty.

The firm has stated that they issued Installation Certificate on dated 20.06.2014 and due to lack of knowledge and COVID period, they were not able to submitted to concern DGFT within prescribed time. The firm has also stated that they received Deficiency Letter from RA and stating that to approach EPCG Committee for Condonation of delay in Installation and Submission of Installation Certificate.

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 submission of installation certificate, subject to payment of late fee of Rs. 10,000/- and submission of installation certificate. RA to verify that no ECA/DRI/Customs action is pending.

This has the approval of DG, DGFT.

Case No- 35: Officine Lovato Private Limited, Mumbai
F. No. HQREPCGPRAPP00001935AM24

Subject: Request for Condonation of delay in re-exporting of capital goods due to not fit for manufacturing of end/export products in respect of EPCG Authorization No.0330040749 dated 19.01.2015 and 0330044219 dated 27.04.2016 under Zero duty EPCG Scheme.

In support of their request the firm has submitted that :-

i. They are subsidiary of LOVATO Italy, who is manufacturer of LPG &CNG Kits. Considering growing business in past, Lovato Italy had taken decision to set up CNG Assembly line in India and imported required assembly lines accordingly in their name i.e. M/s Officine Lovato Private Limited.
ii. After import of Capital Goods they came to know that Bharat Sage-VI emission norms were launched in India from April, 2020. Since BS-VI norms are very stringent they need to use different type of CNG Pressure Reducer for retro fitment of CNG Kits in BS-VI vehicles.
iii. Basically two types of Pressure Reducers first is Conventional Type Pressure Reducers which works with Gas-Air mixer (Venturi system) and the other one is Sequential reducer which works with Gas Injectors(Injection system).
iv. The assembly line imported by them was for Conventional type CNG Pressure Reducers which can be used in previous vintage of vehicles i.e. for BS-II and BS-III vehicles. Since the emission norms are not so stringent in BS-II and BS-III, these types of systems were suitable for the vehicles. In their case they have CNG Reducer Model No.RME for such application. They have enclose copy of their Type approval certificate for BS-III Vehicles with this type of reducers which is of no use in the current standard of BS-VI. Due to sudden changes in the market scenario, they could never use these assemble line and both the assembly line are lying intact condition.
v. Whereas for BS-VI vehicles emission norms are very stringent hence they have to use sequential Reducers with the ECU (Electronic Control Unit) and Gas injectors in their kit. In their case they have CNG Reducer Model No. NGB-L for such application. They have enclose copy of their Type Approval Certificate for BS-VI Vehicles with this type of Reducers.
vi. Because of introduction of scrapping policy of 15 year old vehicles in India which means vehicles is complying to BS-II & BS-III will no more be available in market for retro fitment of their CNG Kits. Now they have market only for retro fitment of CNG Kits in

BS-VI Vehicles with Sequential Reducers (not the traditional reducer for which they had imported this assembly line).

vii. They have left with no more market for Conventional CNG Pressure Reducer hence the assembly lines import by us are of no use to them and they have to re-export these assembly lines back to Italy.

viii. Due to change in Government policy in India they tried to convince to supplier for the return the capital goods and finally they accepted situation in 2019 and Covid 19 just started in the world wide and impacted their company also, so all person left the company, Now again they convince them and they are ready to accept the Capital Goods.

2. The representative of the firm, Shri Virendra Vora (Director) appeared in person and made the following submissions :-

Applicant's statement: The representative stated that due to technological obsolescence and change in government policies regarding emission norms, their export product which were to be manufactured from the imported Capital Goods are no longer required in the export market. Therefore, they want to re-export the CGs.

Decision: The Committee deliberated upon the case and decided to **defer** it with the direction to call for proof from Jurisdictional GST Authority that the Capital goods imported against the EPCG Authorizations No.0330040749 dated 19.01.2015 and 0330044219 dated 27.04.2016 have not been used by the firm and are lying in a packed condition.

Case No- 36: Reliance New Solar Energy Limited, Mumbai
F. No. HQREPCGPRAPP00000080AM25

Subject: Request for Utilisation of goods importer under 13 EPCG Licenses – Relaxation from procedure as per Para 2.59 of FTP is as under:

i. **The EPCG License issued to M/s RNSEL may be assigned to M/s RIL**

ii. **Movement of CGs imported under the aforesaid EPCG Licenses to the MOOWR facility being set –up by RIL without payment of duty saved on clearance of these CG under EPCG Scheme.**

iii. **Redemption of these licenses with intimation to the customs authority for cancellation of corporate guarantee upon completion of movement of imported goods from RNSEL to MOOWR premises of RIL.**

1. **331023733 dated 19.05.2023**
2. **331024089 dated 31.05.2024**
3. **331024090 dated 31.05.2024**
4. **331024208 dated 05.06.2023**
5. **331025227 dated 07.07.2023**
6. **331025841 dated 28.07.2023**
7. **331026118 dated 08.08.2023**
8. **331027279 dated 21.09.2023**
9. **331027280 dated 21.09.2023**

10. **331028145 dated 25.10.2023**
11. **331029443 dated 19.12.2023**
12. **331029835 dated 03.01.2024**
13. **331030568 dated 31.01.2024**

The case was considered in the 2nd EPCG Committee Meeting of AM-25. The decision of which is as under :-

> *"The Committee deliberated upon the case and decided to call for comments from the Department of Revenue (Drawback Division) on the request. Accordingly, the case stands deferred."*

Decision: The Committee deliberated upon the case and noted that comments are awaited from the Department of Revenue. Accordingly, the case stands **deferred.**

Case No- 37: M/s Innovative Textiles Ltd, Gurugram
F. No. 01/36/218/70/AM-20/EPCG

Subject: Request for transfer of 16 EPCG Authorization obtained by M/s. Innovative Textiles Ltd. in the name of M/s. S.D. Polytech Pvt. Ltd. due to transfer of business unit by way of a slump sale.

S. No.	EPCG Authorizations & Date
1.	0530153664 dated 08.10.2010
2.	0530153713 dated 13.10.2010
3.	0530155369 dated 27.04.2011
4.	0530155224 dated 04.04.2011
5.	0530155495 dated 13.05.2011
6.	0530156407 dated 05.09.2011
7.	0530157229 dated 19.12.2011
8.	0530159359 dated 26.09.2012
9.	0530160021 dated 21.12.2012
10.	0530160281 dated 01.02.2013
11.	0530160709 dated 15.04.2013
12.	0530160982 dated 07.06.2013
13.	0530161996 dated17.12.2013
14.	0530163239 dated 22.08.2014
15.	0530164490 dated 03.03.2015
16.	0530167189 dated 16.03.2016

The firm has requested for transfer of ongoing business being carried at "Plot No. B-8, Phase-1 at Eldeco SIDCUL Industrial Park, Sitarganj, bearing Khasra No. 141, 142, Village Lalarpatti District Udham Singh Nagar, Uttarakhand by way of a slump sale to M/s S D Polytech

Private Limited (IEC 02159002600 having its registered office at 13C, Kashinath Mullick Lane, Kolkata. The business transfer on slump sale basis entails transfer of all the assets and liabilities to M/s. S.D. Polytech Private Limited which has agreed to take over the pending Export obligation of 16 EPCG authorisations.

2. The firm submitted application vide dated 18.03.2019 addressed to CLA, Delhi along with copy of list of pending EPCG licenses along with CA certificate of EO under EPCG licenses of Sitarganj unit, EO completed, list of pending 16 EPCG Licenses, copy of Special Board Resolution, ANF-2D, undertaking of M/s SD Polytech Pvt. Ltd. regarding fulfilment of EO for 16 EPCG licenses and certified copy of the Resolution passed in the meeting of the Board of Directors of M/s S.D. Polytech Pvt. Ltd. on 21.01.2019.

3. The case was considered in 7th EPCG Committee Meeting held on 30.08.2019 wherein the Committee deliberated upon the case and decided to defer it for examination on file.

4. The firm vide email dated 06.04.2024 has requested for transfer of 16 EPCG Authorization in the name of M/s. S.D. Polytech Pvt. Ltd. due to transfer to business unit by way of a slump sale and the firm has submitted the following. The applicant obtained total 34 EPCG authorizations, out of which EODC has been obtained for 15 Authorizations and application has been filed for redemption of 3 Authorizations.

5. The firm has stated that with the consent and approval of the Board of Directors & Shareholders, the Company had transferred the ongoing business being carried out at Plot No 8, Block-B, Phase 1 SIDCUL Industrial Park, Sitarganj bearing Khasra No. 141,142 village Lalarpatti District Udham Singh Nagar, Uttarakhand by way of Slump Sale to M/s. S.D. Polytech Pvt. Ltd. (IEC 0215900260). M/s SD Polytech Pvt. Ltd. has agreed to take over the pending EO of all the 16 EPCG Authorisations. The firm had also obtained an advanced ruling from the GST Department regarding non-application of GST for the Slump Sale.

5. A joint representation dated 13.04.2024 has also been received from both the firm seeking expeditious resolution of the transfer of pending EPCG authorizations in the name of M/s. SD Polytech Private Limited.

6. The case was considered in the 1st EPCG Committee Meeting of AM-25 held on 19.04.2024. The decision of which is as under:

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

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.59 of FTP, 2023** to accept the transfer of 16 subject EPCG Authorizations from M/s. Innovative Textiles to M/s S.D. Polytech Private Limited on account of slump sale subject to the following conditions :-

i. Average export obligation (AEO) shall be re-fixed by adding AEO of M/s. S.D. Polytech Private Limited for same and similar products on date of acquisition.
ii. M/s S.D. Polytech Private Limited also shall execute necessary Bond and Bank Guarantees with Customs Authorities for fulfillment of Export Obligation.

This has the approval of DG, DGFT.

<u>Case No- 38: Meera Cotton And Synthetic Mills Private Limited, Mumbai</u>
F. No. HQREPCGPRAPP00000571AM24

Subject: Request for Amendment of ITC-HS Code in respect of 9 EPCG Authorization Nos. under 03% & 05% Concessional duty.

i. **0330019727 dated 03.04.2008**
ii. **0330022491 dated 19.02.2009**
iii. **0330022668 dated 24.03.2009**
iv. **0330023411 dated 20.07.2009**
v. **0330027926 dated 26.11.2010**
vi. **0330029838 dated 27.06.2011**
vii. **0330030414 dated 26.08.2011**
viii. **0330030951 dated 02.11.2011**
ix. **0330031121 dated 23.11.2011**

The case was considered in the 2nd EPCG Committee Meeting of AM-25. The decision of which is as under :-

> *"After deliberation on the request of the firm, the Committee decided to defer the case to call the applicant for Personal Hearing to explain the case."*

2. The firm was granted an opportunity for hearing today but none appeared.

Decision: The Committee deliberated upon the case and decided to grant one last opportunity of Personal hearing to the firm. Accordingly, the case stands **deferred**.

<u>Case No- 39: Piccadily Hotels Pvt Ltd, Delhi</u>
F. No. HQREPCGPRAPP00000019AM25

Subject: Request for

i. **1st Block Extension along with EOP extension up to 31st March 2022 as per PN 53/2015-20 dated 20.01.2023**

ii. **Condonation of delay in submission of Installation Certificate**

In respect of EPCG Authorization No. 0530158149 dated 13.04.2012 under 03% Concessional Duty.

The firm has stated that they have fulfilled the EO @ 42.76% up to 31stMarch 2020 and balance 57.24 % of EO is fulfilled up to 31stMarch 2022. The firm has also stated that the delay in filling the installation certificate was primarily due to the unforeseen departure of the responsible individual form their position without prior notification.

2. The firm has further stated that they obtained the required certificate within the stipulated timeframe. However, due to the absence of the concerned personnel, they were unaware of the non-submission until recently.

3. The Case was considered in 2nd EPCG Committee Meeting of AM-25 held on 09.05.2024 and the decision of which is as under:

> *Decision: After deliberation on the request of the firm, the Committee decided to defer the case to call the applicant for Personal Hearing to explain the case.*

4. The representative of the firm, Shri Kartikeyan Ramalingam appeared through video conferencing and made the following submissions :-

Applicant's statement: The representative stated that they are seeking the extension of 1st block for the purpose of fulfilment of the EO effectively with the revised timeline. Additionally, they are also requesting EOP Extension for the fulfilment of EO of EPCG Authorizations and condonation of delay in submission of Installation Certificate.

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 Condonation of delay in approaching the RA for extension in block-wise EOP within the prescribed time period. This shall be subject to payment of 2% composition fee on duty saved amount in proportion to the shortfall at the end of each block in terms of the provisions of Para 5.8.3 of HBP, 2009-14 and late fee of Rs. 10,000/-.

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

This has the approval of DG, DGFT.

In respect of 2nd request: The Committee 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 dated 20.01.2023 where extension is permitted on account of COVID.

In respect of 3rdd 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 submission of installation certificate, subject to payment of late fee of Rs. 10,000/- and submission of installation certificate. RA to verify that no ECA/DRI/Customs action is pending.

This has the approval of DG, DGFT.

<u>Case No- 40: Piccadily Hotels Pvt Ltd, Delhi</u>
F. No.

S No.	EPCG Committee File no.	Authorization No. & date
1	HQREPCGPRAPP00002143AM24	0530156180 dt 05.08.2011

2	**HQREPCGPRAPP00002144AM24**	**0530152788 dt 15.07.2010**
3	**HQREPCGPRAPP00000001AM25**	**0530156544 dt 21.09.2011**
4	**HQREPCGPRAPP00000002AM25**	**0530158733 dt 05.07.2012**
5	**HQREPCGPRAPP00000003AM25**	**0530156520 dt 19.09.2011**
6	**HQREPCGPRAPP00000004AM25**	**0530157700 dt 22.02.2012**
7	**HQREPCGPRAPP00000005AM25**	**0530157241dt 21.12.2011**
8	**HQREPCGPRAPP00000006AM25**	**0530161227 dt 17.07.2013**
9	**HQREPCGPRAPP00000007AM25**	**0530157243 dt 21.12.2011**
10	**HQREPCGPRAPP00000008AM25**	**0530161226 dt 17.07.2013**
11	**HQREPCGPRAPP00000012AM25**	**0530161172 dt 10.07.2013**
12	**HQREPCGPRAPP00000013AM25**	**0530156545 dt 21.09.2011**
13	**HQREPCGPRAPP00000014AM25**	**0530161544 dt 12.09.2013**
14	**HQREPCGPRAPP00000015AM25**	**0530161543 dt 12.09.2013**
15	**HQREPCGPRAPP00002142AM24**	**0530156542 dt. 21.09.2011**

Subject: Request for Condonation of delay in submission of Installation Certificate in respect of 15 EPCG Authorization Nos.

The firm has stated that the delay in filling the installation certificate was primarily due to the unforeseen departure of the responsible individual form their position without prior notification.

2. The firm has also stated that they obtained the required certificate within the stipulated timeframe. However, due to the absence of the concerned personnel, they were unaware of the non-submission until recently.

3. The Case was considered in 2nd EPCG Committee Meeting of AM-25 held on 09.05.2024 and the decision of which is as under:

> *"After deliberation on the request of the firm, the Committee decided to defer the case to call the applicant for Personal Hearing to explain the case."*

4. The representative of the firm, Shri Kartikeyan Ramalingam appeared through Video conferencing and made the following submissions :-

Applicant's statement: The representative stated that the delay in submission of the Installation Certificate was primarily due to misplacement of the file after the completion of the project and the commencement of the hotel operations. Additionally, the project team responsible for compliance had left the organization.

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 submission of installation certificate against the 15 subject EPCG authorisations, subject to payment of late fee of Rs. 10,000/- per authorisation and submission of installation certificate. RA to verify that no ECA/DRI/Customs action is pending.

This has the approval of DG, DGFT.

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[DGFT= Directorate General of Foreign Trade, DG = Director General, FTP, = Foreign Trade Policy, HBP,v1 = Handbook of Procedure Vol. I, EO = EO, EODC = EO Discharge Certificate, EOP = EO 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. 01/36/218/08/AM-25/EPCG]

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