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MINUTES OF 2nd MEETING OF AM-24 OF THE EPCG COMMITTEE HELD UNDER THE CHAIRMANSHIP OF SHRI S.B.S. REDDY, ADDITIONAL DIRECTOR GENERAL OF FOREIGN TRADE AT 3:00 PM ON 30.05.2023

Second Meeting for AM-24 of the EPCG Committee was held on 30.05.2023 at 3:00 PM under the chairmanship of Shri S.B.S. Reddy, Additional Director General of Foreign Trade through Video Conferencing. Following officers attended the meeting:-

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

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

Case No.	Firm's Name	Page No.
1	Saehan Stamping Private Limited, Tamil Nadu	3
2	Phoenix Conveyor Belt India Private Limited, Kolkata	4
3	Meghna Darshan Ghodawat , Kolhapur	5
4	Amol Associates, Pune	5-6
5	Avenue Graphics Pvt. Ltd., Mumbai	6-7
6	Nutec Oil and Energy Private Limited, Chennai	7-8
7	Senthilnathan Spinning Mills Private Limited, Tamil Nadu	8-9
8	Valeo India Private Limited, Chennai	9
9	Gupta Swabs Limited, Chennai	9-11
10	Mahindra Heavy Engines Limited (MHEL), Mumbai	11-12
11	Samruddhi Value Marketing Limited, Maharashtra	12-13
12	SVPC Infrastructure Private Limited, Chennai	13-14
13 to 17	Tiruchirapalli Engineering and Technology Cluster	14-18
18	Tirupati Balaji Agro Products Pvt. Ltd., Maharashtra	18-19
19	Tanmay Cotex Pvt. Ltd., Jalgaon, Maharashtra	19-20
20,21,24 & 49	Mahalaxmi Polypack Pvt. Ltd., New Delhi	20,21,23 & 43-44
22	Jam Surgical Company Pvt. Ltd., Chennai	21-22
23	The Indian Card Clothing Company Limited, Pune	22-23
25	Fine Lace & Fabrics, New Delhi	24
26	Zoom Texturisers Private Limited, Surat	25
27	Sliver Tex Engineers Private Limited, Tamil Nadu	25-26
28	Deltran Diesels Engineering Pvt. Ltd., Kolhapur (Maharashtra)	26-27
29	Galvano Track Solutions Pvt. Ltd., Bengaluru	27

72	Babylon Agro Products Pvt. Ltd., Kolkata	62-63
73	Ferro Curves, Kolkata	63
74	Modern Inns Pvt. Ltd., Kolkata	63-64
75	Vivekananda Paddy Mills Private Limited, West Bengal	64
76	Montanari Lifts Components Pvt. Ltd., Pune	64-65
78	Sachdeva Home Furnishing Private Limited, Panipat	65-66
79	Savvak Engineering Innovations Private Limited, New Delhi	66-67
80 & 85	Shaun Filaments, Goa	67 & 70
81	AV Precision Tubes Pvt. Ltd., Hisar (Haryana)	67-68
82	Walmark Meditech Private Limited, Nagpur	68-69
83	Vaibhav Plasto Printing & Packaging Private Limited, Nagpur	69-70
84	Navratan Specialty Chemicals LLP, Ahmedabad	70
86	Sachin Dyeing and Printing Mills Private Limited, Surat	71
87	Agrawal Iron & Industries, Jagdalpur (Chhattisgarh)	72
88	Shalimar Hotel Private Limited, Mumbai	72-73
89	Jain Amar Clothing Private Ltd.	73-74

Case No-01: Saehan Stamping Private Limited, Tamil Nadu
F. No. HQRPRCAPPLY00003855AM23

Subject: Request for Second EOP Extension up to 14.12.2022 i.e. beyond 6+2 years in respect of EPCG Authorization No. 0430011999 dated 19.12.2012 under 0% Concessional Duty.

The firm has stated that being MSME Company in India they are Tier 2 vendors to Hyundai and other Korean automotive units in Chennai and availed block-wise and 1 st EOP Extension from RA concerned. The firm has further stated that they couldn't fulfill 100% EO in stipulated time due to:

1. They had imported second hand machines vide subject EPCG Authorization wherein initially for more than 4-5 years they suffered frequent breakdowns and loss of previous productions due to which they couldn't source export orders and could fulfill 18.24% EO.
2. Financial performance suffered due to frequent breakdowns.
3. Covid-19 lockdowns.

Decision: After due deliberation, the Committee decided to advise the firm to **approach RA** for extension of Export Obligation Period beyond 8 years in terms of Public Notice No. 53/2015-2020 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.

<u>Case No-02: Phoenix Conveyor Belt India Private Limited, Kolkata</u>
F. No. HQREPCGPRAPP00000525AM23

Subject: Request for:

1. **EOP Extension from 11.06.2019 to 10.06.2021 i.e. 6+2 years.**
2. **Further EOP Extension for 3 years from 11.06.2021 to 10.06.2024 i.e. 3 years beyond 6+2 years.**

In respect of EPCG Authorization No. 0230008893 dated 11.06.2013 under 0% Concessional Duty.

The firm has stated that they could only fulfill US$ 2559684.0 out of US$ 3501255.50 (1st Block EO) within prescribed time period and could also not fulfill the remaining EO for both blocks i.e. US$ 4442827.0 in stipulated time period. The firm has also stated that they couldn't fulfill the same due to:

- Export product "conveyor belt" is completely dependent on various infrastructure projects i.e. power, coal handling, steel and cement. During 2018-19 growth of mentioned projects and industries were very limited in India and challenges at international level leading to gradual reduction of export orders during EOP.
- Supplies to various projects approved by Government of India under deemed exports category drastically reduced during period.
- Covid-19 pandemic- major delay in projects and reduced export orders.

The firm has further stated that they are in a positive position to fulfill remaining EO i.e. US$ 4442827.0 and that their export consignments have commenced but without EOP Extension they are unable to export against subject EPCG Authorization.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 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.

The Committee further deliberated upon the case and decided to advise the firm to **approach RA** for extension of Export Obligation Period in terms of 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 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.

<u>Case No-03: Meghna Darshan Ghodawat, Kolhapur</u>
F. No. HQRPRCAPPLY00003954AM23

Subject: Request for extension of EOP for two years i.e. from 6 years to 8 years against EPCG Authorization No. 3130008259 dated 20.10.2014 under 0% Concessional duty.

The firm has stated that the export global market is highly competitive, it may be difficult to secure direct export orders even before the expiry of the original EO period due to adverse conditions such as fluctuating ex rates and ever increasing raw material prices of cotton yarn, fuel etc. However, they could secure export orders through third party exporter M/s. Lahoti. Later, there was further delay in receipt of export orders due to Covid-19. The firm has also stated that they have fulfilled the EO beyond 6 years but within the period of 6+2 years i.e. before 24.10.2022.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 of FTP, 2023** to allow Condonation of delay in approaching RA for EO extension for 2 years (from 6^{th} year to 8^{th} 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.

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 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.

<u>Case No-04: Amol Associates, Pune</u>
F. No. HQRPRCAPPLY00004052AM23

Subject: Requested for extension for EOP beyond 8 years against EPCG authorization No. 3130007225 dated 26.02.2013 under 0% Concessional duty.

The firm has stated that their major Obligation period has been lapsed under the DGFT Custody by issuance of Order in Original and amendment. The firm has stated that they had submitted their Authorization for Block extension to RA, Pune on 18.01.2017, meanwhile as the application for Block extension was pending with RA, Pune. They had been issued with Show Cause notice on dated 08.06.2017 for non-fulfilment of Exports to which they replied on dated

15.06.2017 and appeared personally at RA, Pune for the same. The original impugned order was subsequently passed before the expiry of the liability period on 26.06.2017.

2. They approached the HQ for review of the Appeal decision made by RA Mumbai on 11.05.2018 and finally their request were being considered for remand back of the Order. After getting the remand back order from the HQ. They submitted the application to RA, Pune for Block Extension and Amendment on 27.03.2019 for which after 8 months' time and follow up in the department they just allowed them HS Code Amendment on 23.12.2020. Further to that Composition fees paid online for Block extension was debited from their account but got an unsuccessful message on DGFT Site error after regular follow up and many attempts finally they were able to make the payment online on 11.03.2021.

3. They missed 2 years getting remand back from DGFT and change in the item demanded by the buyer for which they requested Amendment in the HS Code of the license applied on 18.01.2017 and received to them on 23.12.2020. Due to COVID Pandemic there were no export orders so they could not export and the Authorization got expired.

Decision: 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 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.

Case No-05: Avenue Graphics Pvt. Ltd., Mumbai
F. No. HQRPRCAPPLY00004051AM23

Subject: Requests against EPCG Authorization No. 0330037729 dated 13.01.2014 under 0% Concessional duty :

1. **1st extension of EOP for 1 year i.e. from 12.01.2020 to 31.12.2021 as per Notification No. 28 dated 23.09.2021 against above EPCG Authorization.**
2. **2nd extension of EOP for two years i.e. from 31.12.2021 to 31.12.2023 against above EPCG Authorization.**

The firm has stated that they had imported duty free capital goods which were imported in April 2014 for production but the machinery purchased was defective and inefficient for production. Therefore, they had to re-send the supplier for replacement at their own cost, subsequently they re-imported the capital goods in the subject authority in July, 2015 but in the meanwhile they had lost the export order which was planned for EPCG. The firm has also stated that their EOP has expired on 12.01.2020. Hence, the firm has requested for extension of EOP to complete its EO.

2. Their initial EOP has expired on 12.01.2020. As per Notification No. 28/2015-20 dated 23.09.2021, for EPCG Authorisations, where original or extended Export Obligation (EO) period is expiring during the period between 01.08.2020 and 31.07.2021, the Export Obligation period would be extended till 31.12.2021 without any composition Fees. However this extension is subject to 5% additional export obligation in value terms (in free Foreign Exchange) on the balance Export Obligation on the date of expiry of the original/extended export obligation period.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 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.

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 20.1.2023 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. .

<u>Case No-06: Nutec Oil and Energy Private Limited, Chennai</u>
F. No. HQRPRCAPPLY00003805AM23

Subject: Request for 2nd EOP Extension for 2 years from expiry of extended EOP of 31.12.2021 in respect of EPCG Authorization No. 0430011394 dated 03.07.2012 under 0% Concessional Duty.

The firm has stated that they had availed zero duty subject EPCG Authorization to export Carbon black by pyrolysis of tyres and that EPCG Committee had rejected their request for EOP Extension from 8th to 10th year in 6th Committee Meeting of AM-23. The firm has further stated that they faced genuine hardships and reasons due to which they couldn’t fulfill 100% EO in stipulated and extended EOP. The reasons are mentioned below:

1. Raw material for manufacturing export product is waste tyres which was restricted for import. Firm applied for restricted item license (RIL) which got issued in 2016 after a lapse of 4 years
2. Due to delay in issuance of RIL, firm got crumb rubber and fuel oil as export products
3. After installation of plant firm realized that the equipment was faulty and defective and their Chinese equipment supplier did not replace or repair the equipment despite rigorous

follow ups. The matter is under submission with Chinese embassy in India and Indian Embassy in China.

4. Covid-19 pandemic creating disruptions and deferment of their material requirement due to market conditions.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 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.

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 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.

Case No-07: Senthilnathan Spinning Mills Private Limited, Tamil Nadu
F. No. HQREPCGPRAPP00317630AM22

Subject: Request for consideration of Shipping Bills towards fulfillment of EO in respect of EPCG Authorization No. 0430003725 dated 15.05.2006 under 03% Concessional duty.

The case was considered in the 7th EPCG Committee Meeting held on 14.10.2022 and 17.10.2022 wherein the Committee deliberated upon the case and decided to defer it with the directions to ask the firm whether they have redeemed another EPCG Authorization No. 0430012958 dated 24.09.2013 and also furnish details of exports and shipping bills.

2. Accordingly, the firm was requested vide e-mail dated 23.11.2022 to furnish information in respect of Request for consideration of Shipping Bills towards fulfillment of EO in respect of EPCG Authorization No. 0430003725 dated 15.05.2006 under 03% Concessional duty. Now, the firm vide letter dated 22.11.2022 has stated as under:

1. They are enclosing copy of Redemption application for EPCG Authorization No. 0430012958 dated 24.09.2013 submitted with RA Chennai along with a acknowledgement against proof of submission.
2. It has been confirmed that the said Shipping Bills Nos. 6331794 dated 28.11.2014, 6400539 dated 02.12.2014, 6474316 dated 05.12.2014 and 6469283 dated 05.12.2014 have not been utilized/ used towards fulfillment of EO against EPCG Authorization No.

0430012958 dated 24.09.2013 or any other EPCG License other than EPCG License No. 0430003725 dated 15.05.2006.

Decision: The Committee deliberated upon the case and decided to **defer** it with the direction to call for a copy of EPCG Authorization alongwith copy of Shipping Bills.

Case No-08: Valeo India Private Limited, Chennai
F. No. HQREPCGPRAPP00285959AM22

Subject: Request for consideration of Shipping Bills with different EPCG Authorization towards fulfillment of Specific EO in respect of following EPCG Authorization Nos.-

1. **0430009472 dated 02.02.2011**
2. **0430009745 dated 01.04.2011**
3. **0430010574 dated 02.12.2011**
4. **0430012093 dated 21.01.2013**

The firm has stated that they had fulfilled Specific EO within original EOP and there has been procedural lapse of endorsement of wrong EPCG Authorization in shipping bills. The firm has also stated that they have shown month and year wise EO fulfillment of Shipping Bills against their EPCG Authorizations. The firm has further declared that the shipping bills considered for discharge of specific EO against one Authorization has not been considered towards the discharge of specific EO and AEO against any of the other Authorizations.

2. The case was considered in the 7th EPCG Committee Meeting of AM-23 held on 14.10.2022 and 17.10.2022 wherein the Committee deliberated upon the case and decided to defer it with the directions to ask the firm regarding status of Redemption of its other EPCG Authorizations endorsed wrongly in shipping bills and also furnish details of exports of goods and shipping bills.

Decision: The Committee deliberated upon the case and decided to **defer** the case. Case may be kept in the next meeting along with the reply submitted by applicant.

Case No-09: Gupta Swabs Limited, Chennai
F. No. HQREPCGPRAPP00000360AM23

Subject: Review Application in respect of Request for Redemption of EPCG Authorization by Acceptance of Free Shipping Bills in respect of EPCG Authorization No. 0430002937 dated 17.08.2005 under 03% Concessional Duty.

The firm has submitted the below mentioned justifications for acceptance of Free Shipping Bills for fulfillment of EO for above mentioned authorization:

- They imported CF2 Cotton Swab manufacturing Machine under subject authorization vide BOE No. 865679 dated 31.08.2005 and obtained Installation Certificate from Deputy Commissioner of Central Excise dated 26.09.2005.
- Completed EO under stipulated time period and submitted EODC Documents to RA Chennai
- While making exports under subject authorization, endorsement of EPCG License Nos. on Shipping Bills was inadvertently left out and status of Shipping Bills was mentioned as free
- Above mentioned clerical mistake happened due to lack of familiarity of prescribed procedures in exports by their staff/CHA
- They export only cotton swabs and there exist no other product manufactured or exported by them. Machines used in making of swabs was subsequently exported

2. Earlier the firm vide F.No. 01/36/218/305/AM-18/EPCG-I dated 08.01.2018 had approached the EPCG Committee for the above mentioned request. The firm had stated that they had completed the entire EO and submitted the relevant export documents to RA, Chennai for redemption. While making the exports under the said EPCG they had omitted the endorsement of EPCG license number on shipping bills due to non-awareness of the procedures and formalities involved in Exports under EPCG scheme by their staff/CHA. The Product (i.e. Cotton Swabs) exported under the shipping bill was manufactured by-using the imported machinery under EPCG. They had been advised by RA Chennai to approach EPCG Committee. In response to e-mail dated 19.01.2018, RA Chennai e-mail dated 31.01.2018, had furnished their report as under:

1. The party has not fulfilled any EO against each block period.
2. Party has submitted installation certificate within time period.
3. IEC No. 0401007944 is not in Denied Entity List.
4. Sipping Bills submitted towards EO are free S/Bills.

3. Now, the firm has again has same requested for same EPCG authorization. In this regards, the firm has submitted the below mentioned justifications for acceptance of Free Shipping Bills for fulfillment of EO for above mentioned authorization:

- They imported CF2 Cotton Swab manufacturing Machine under subject authorization vide BOE No. 865679 dated 31.08.2005 and obtained Installation Certificate from Deputy Commissioner of Central Excise dated 26.09.2005.
- Completed EO under stipulated time period and submitted EODC Documents to RA Chennai
- While making exports under subject authorization, endorsement of EPCG License Nos. on Shipping Bills was inadvertently left out and status of Shipping Bills was mentioned as free.
- Above mentioned clerical mistake happened due to lack of familiarity of prescribed procedures in exports by their staff/CHA.
- They export only cotton swabs and there exist no other product manufactured or exported by them. Machines used in making of swabs was subsequently exported.

Decision: The Committee went through the statements made by the applicant and noted that there is no provision in the FTP for counting of exports made through free Shipping bill.

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-10: Mahindra Heavy Engines Limited (MHEL), Mumbai
F. No. HQRPRCAPPLY00004143AM23

Subject: Request for condonation of non-mentioning of EPCG Authorization number on 17 shipping bills relating third party export by their parent company against 2 EPCG Authorization Nos. 0330033067 dated 03.07.2012 and 0330033690 dated 14.09.2012 under 0% Concessional duty.

The firm has stated that they had fulfilled their EO as well as maintained the AEO through "third-party exports" which are their parent company i.e. Mahindra & Mahindra Limited (M&M). The firm has also stated that M&M do not manufacture this category of engines in any of facilities, and M&M had entered into an agreement with their Company i.e. MHEL for supply of Heavy Commercial Engines for export purposes. The firm has further stated that they entered into a supply agreement wherein the engines were to be manufactured by them and supplied to M&M for exports.

2. In support of their request, the firm has stated that they supplied the engines under the provisions of third party exports. As per the provisions of third party exports, the engines were supplied at M&M's warehouse, as is evident from lorry receipt. The firm has informed that in their invoices and other related documents sent to M&M, their company has clearly mentioned the EPCG authorization numbers and their respective dates as it was for the sole purpose of exports. M&M exported its manufactured products within five days of supplied by them. The firm has also said that M&M had also mentioned the details of EPCG license in the invoice to the foreign party. However, there was a procedural lapse in not mentioning the EPCG license number by the CHA of M&M while filing the shipping bill. The firm has submitted that they have complied with the condition as per para 5.10(d) of HBP 2015-20 as the export obligation is fulfilled through third party exports:

1. Agreement between M&M and MHEL, Lorry receipts as evidence of supplying goods to M&M Premises and connecting lorry receipts to port.
2. GST invoice along with details of EPCG authorization number endorsed
3. Domestic and export invoices both have mention of EPCG details
4. Undertaking from 3rd party i.e. M&M on stamp paper as product exported are manufactured by our Company i.e. MHEL
5. Financial evidence of having received remittance for supplies and BRCs received by M&M against exports.
6. Disclaimer certificate certifying that these exports have not been used by M&M for either fulfillment of specific or average obligation against their licenses.

3. The firm has stated that the Shipping Bills were filed under Export Promotion Schemes with the intention of claiming MEIS and Drawback and the same was mentioned in the bill which was duly assessed by the Customs Department. Also, their Parent Company i.e. M&M is

not into manufacturing Heavy Commercial Engines which are mainly used in trucks, lorries, buses, etc. Therefore, M&M engaged their Company to fulfill export orders.

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-11: Samruddhi Value Marketing Limited, Maharashtra
F. No. HQREPCGPRAPP00000626AM23

Subject: Request for

1. **Block-wise Extension**
2. **EOP Extension upto 09.01.2024 i.e. 6+4 years**
3. **Acceptance of foreign exchange from Nepal in INR**

In respect of Authorization No. 3130007714 dated 09.01.2014 under 0% Concessional Duty for redemption.

The firm has stated that they have fulfilled the EO, but due to mistakes in the documentation, the exports would not be considered. Thus, in order to fulfill EO, they have requested for EOP Extension upto 09.01.2024, as their license was expired on 09.01.2020.The firm had exported goods of INR 12,37,664/- to Nepal under shipping bills for export of duty free goods with EPCG License under, but due to lack of proper knowledge, they received the payment in INR,.

2. The firm has requested to accept the foreign exchange in INR, that since they received the payments in INR from Nepal SBI Bank Limited, which is a subsidiary of SBI India. The firm has also stated that they are willing to pay composition fee of 2% on duty saved.

Decision:

In respect of 1st & 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:-

(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 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 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 EO period has already expired.

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.

This has the approval of DG, DGFT.

In respect of 3rd 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.

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.

Case No-12: SVPC Infrastructure Private Limited, Chennai
F. No. HQREPCGPRAPP00000624AM23

Subject: Request for

1. **Condonation and Acceptance of Free Shipping Bills and**
2. **Acceptance of Shipping Bills with difference in HS Code**

In respect of Authorization No. 0430012676 dated 28.06.2013 under 0% Concessional Duty for redemption.

The firm has imported the machinery for making sheet fabricated components which is installed at their factory. The firm has received export orders for the export of same kind of sheet fabricated components for use in elevators/lifts, they obtained an amendment for the additional resultant product as parts of elevators, conveyors, and moving equipments under HSN 84313910 for the above Authorization No. 0430012676 dated 28.06.2013.The firm has been exporting their manufactured products, which is sheet fabrication component as a component in their final product. Hence, they mention the relative HSN code in all their bills without mentioning the Authorization Number, as they could not claim any benefit via Duty Drawback or MEIS Scheme. Thus, due to the reasons above, the firm's exports could not be taken for EO fulfillment due to absence of Authorization Number in the shipping bills, although all the products manufactured by them are through imported capital goods.

2. The firm was given License for import of products under HS Code 73089090 (Description: Other structure and parts of structure of iron and steel), but they made exports under the HS Code 85359030 (Description: Electrical Apparatus for switching or protecting electrical circuits, or for making connections to or in electrical circuits).As per the License Amendment Sheet, the HS Code was changed to 84313910 upon the request of the firm, they

made exports under the same HS Code. The firm has submitted the statement of Exports made with different HS codes duly certified by Chartered Accountant.

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-13: Tiruchirapalli Engineering and Technology Cluster
F. No. HQRPRCAPPLY00004114AM23

Subject: Request to consider Shipping Bills towards fulfillment of Specific Export Obligation for not mentioning of Supporting manufacturer's name and license numbers for the exports made through third-party exporters, in order to obtain EODC in respect of EPCG Authorization No. 0430011485 dated 25.07.2012 under 0% concessional duty.

The firm has obtained EPCG Authorization for import of capital goods. Subsequent to import and installation of the CGs, the machineries were utilized by the member units for manufacture of the finished products i.e. Boiler & boiler components and fabrication of structural.The firm has also submitted that they are a company registered under Section 8 of the Companies Act, a non-profit organization, meant, formed, and intended for achieving charitable purposes and per se incorporated, not with a profit motive, but to support MSME industries in Tiruchirapalli. The company was formed with the financial assistance in the form of Central Grant of Rs. 58.28 Cr. under the scheme of Industrial Infrastructure and Up-gradation Scheme (IIUS) sanctioned by DPIIT, Ministry of Commerce.

2. Further, the firm has submitted that they provide infrastructure exclusively to their member industries, who manufacture various items in and around Tiruchirapalli area, utilizing the machined facilities of TREAT for executing critical manufacturing process for their export orders.The firm applied for the EPCG licenses for machineries which would cater to the needs of member industries and this is the reason as to why third-party exports against the EPCG licenses were projected and permitted to them.

3. The firm while permitting the member industries to manufacture the export goods using their infrastructure, they insisted that they should export the goods by declaring these EPCG licenses in the export documents such as shipping bills, export invoices, etc. so that they could correlate such exports against their export obligations and to seek EODC. Unfortunately, the member industries, who are new to this concept, failed to indicate the EPCG license, although none of them availed any other export incentives for such exports.

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-14: Tiruchirapalli Engineering and Technology Cluster</u>
F. No. HQRPRCAPPLY00004113AM23

Subject: Request to consider Shipping Bills towards fulfillment of Specific Export Obligation for not mentioning of Supporting manufacturer's name and license numbers for the exports made through third-party exporters, in order to obtain EODC in respect of EPCG Authorization No. 0430011504 dated 31.07.2012 under 0% concessional duty.

The firm has submitted the following:

1. The firm has obtained EPCG Authorization for import of capital goods. Subsequent to import and installation of the CGs, the machineries were utilized by the member units for manufacture of the finished products i.e. Boiler & boiler components and fabrication of structural.
2. The firm has also submitted that they are a company registered under Section 8 of the Companies Act, a non-profit organization, meant, formed, and intended for achieving charitable purposes and per se incorporated, not with a profit motive, but to support MSME industries in Tiruchirapalli. The company was formed with the financial assistance in the form of Central Grant of Rs. 58.28 Cr. under the scheme of Industrial Infrastructure and Up-gradation Scheme (IIUS) sanctioned by DPIIT, Ministry of Commerce.
3. Further, the firm submitted that they provide infrastructure exclusively to their member industries, who manufacture various items in and around Tiruchirapalli area, utilizing the machined facilities of TREAT for executing critical manufacturing process for their export orders.
4. The firm applied for the EPCG licenses for machineries which would cater to the needs of member industries and this is the reason as to why third-party exports against the EPCG licenses were projected and permitted to them.
5. The firm while permitting the member industries to manufacture the export goods using their infrastructure, they insisted that they should export the goods by declaring these EPCG licenses in the export documents such as shipping bills, export invoices, etc. so that they could correlate such exports against their export obligations and to seek EODC. Unfortunately, the member industries, who are new to this concept, failed to indicate the EPCG license, although none of them availed any other export incentives for such exports.

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

<u>Case No-15: Tiruchirapalli Engineering and Technology Cluster</u>
F. No. HQRPRCAPPLY00004112AM23

Subject: Request to consider Shipping Bills towards fulfillment of Specific Export Obligation for not mentioning of Supporting manufacturer's name and license numbers for

the exports made through third-party exporters, in order to obtain EODC in respect of EPCG Authorization No. 0430011532 dated 07.08.2012 under 0% concessional duty.

The firm has submitted the following:

1. The firm has obtained EPCG Authorization for import of capital goods. Subsequent to import and installation of the CGs, the machineries were utilized by the member units for manufacture of the finished products i.e. Boiler & boiler components and fabrication of structural.
2. The firm has also submitted that they are a company registered under Section 8 of the Companies Act, a non-profit organization, meant, formed, and intended for achieving charitable purposes and per se incorporated, not with a profit motive, but to support MSME industries in Tiruchirapalli. The company was formed with the financial assistance in the form of Central Grant of Rs. 58.28 Cr. under the scheme of Industrial Infrastructure and Up-gradation Scheme (IIUS) sanctioned by DPIIT, Ministry of Commerce.
3. Further, the firm submitted that they provide infrastructure exclusively to their member industries, who manufacture various items in and around Tiruchirapalli area, utilizing the machined facilities of TREAT for executing critical manufacturing process for their export orders.
4. The firm applied for the EPCG licenses for machineries which would cater to the needs of member industries and this is the reason as to why third-party exports against the EPCG licenses were projected and permitted to them.
5. The firm while permitting the member industries to manufacture the export goods using their infrastructure, they insisted that they should export the goods by declaring these EPCG licenses in the export documents such as shipping bills, export invoices, etc. so that they could correlate such exports against their export obligations and to seek EODC. Unfortunately, the member industries, who are new to this concept, failed to indicate the EPCG license, although none of them availed any other export incentives for such exports.

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

Case No-16: Tiruchirapalli Engineering and Technology Cluster
F. No. HQRPRCAPPLY00004110AM23

Subject: Request to consider Shipping Bills towards fulfillment of Specific Export Obligation for not mentioning of Supporting manufacturer's name and license numbers for the exports made through third-party exporters, in order to obtain EODC in respect of EPCG Authorization No. 0430011567 dated 21.08.2012 under 0% concessional duty.

The firm has submitted the following:

1. The firm has obtained EPCG Authorization for import of capital goods. Subsequent to import and installation of the CGs, the machineries were utilized by the member units for manufacture of the finished products i.e. Boiler & boiler components and fabrication of structural.
2. The firm has also submitted that they are a company registered under Section 8 of the Companies Act, a non-profit organization, meant, formed, and intended for achieving charitable purposes and per se incorporated, not with a profit motive, but to support MSME industries in Tiruchirapalli. The company was formed with the financial assistance in the form of Central Grant of Rs. 58.28 Cr. under the scheme of Industrial Infrastructure and Up-gradation Scheme (IIUS) sanctioned by DPIIT, Ministry of Commerce.
3. Further, the firm submitted that they provide infrastructure exclusively to their member industries, who manufacture various items in and around Tiruchirapalli area, utilizing the machined facilities of TREAT for executing critical manufacturing process for their export orders.
4. The firm applied for the EPCG licenses for machineries which would cater to the needs of member industries and this is the reason as to why third-party exports against the EPCG licenses were projected and permitted to them.
5. The firm while permitting the member industries to manufacture the export goods using their infrastructure, they insisted that they should export the goods by declaring these EPCG licenses in the export documents such as shipping bills, export invoices, etc. so that they could correlate such exports against their export obligations and to seek EODC. Unfortunately, the member industries, who are new to this concept, failed to indicate the EPCG license, although none of them availed any other export incentives for such exports.

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

<u>Case No-17: Tiruchirapalli Engineering and Technology Cluster</u>
F. No. HQRPRCAPPLY00004109AM23

Subject: Request to consider Shipping Bills towards fulfillment of Specific Export Obligation for not mentioning of Supporting manufacturer's name and license numbers for the exports made through third-party exporters, in order to obtain EODC in respect of EPCG Authorization No. 0430012108 dated 24.01.2013 under 0% concessional duty.

The firm has submitted the following:

1. The firm has obtained EPCG Authorization for import of capital goods. Subsequent to import and installation of the CGs, the machineries were utilized by the member units for manufacture of the finished products i.e. Boiler & boiler components and fabrication of structural.
2. The firm has also submitted that they are a company registered under Section 8 of the Companies Act, a non-profit organization, meant, formed, and intended for achieving

charitable purposes and per se incorporated, not with a profit motive, but to support MSME industries in Tiruchirapalli. The company was formed with the financial assistance in the form of Central Grant of Rs. 58.28 Cr. under the scheme of Industrial Infrastructure and Up-gradation Scheme (IIUS) sanctioned by DPIIT, Ministry of Commerce.

3. Further, the firm submitted that they provide infrastructure exclusively to their member industries, who manufacture various items in and around Tiruchirapalli area, utilizing the machined facilities of TREAT for executing critical manufacturing process for their export orders.
4. The firm applied for the EPCG licenses for machineries which would cater to the needs of member industries and this is the reason as to why third-party exports against the EPCG licenses were projected and permitted to them.
5. The firm while permitting the member industries to manufacture the export goods using their infrastructure, they insisted that they should export the goods by declaring these EPCG licenses in the export documents such as shipping bills, export invoices, etc. so that they could correlate such exports against their export obligations and to seek EODC. Unfortunately, the member industries, who are new to this concept, failed to indicate the EPCG license, although none of them availed any other export incentives for such exports.

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

<u>Case No-18: Tirupati Balaji Agro Products Pvt. Ltd., Maharashtra</u>
F. No. HQREPCGPRAPP00000617AM23

Subject: Request for EOP Extension for 1st and 2nd block in respect of EPCG Authorization No. 3130004045 dated 27/05/2009 under 03% Concessional Duty.

The firm has submitted the following:

1. The firm is facing major issues due to variations in the international markets, price variations and decrease in demands.
2. The firm has already dispatched five containers worth USD$ 94,815.52/- against their present Authorization License.
3. The firm further stated that they could not fulfill the EO in the last few years and that they are trying to fulfill it.

Decision: In respect of 1st & 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:-

(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) 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 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 EO period has already expired.

This has the approval of DG, DGFT.

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.

<u>Case No-19: Tanmay Cotex Pvt. Ltd., Jalgaon, Maharashtra</u>
F. No. HQRPRCAPPLY00004083AM23

Subject: Request for-

1. **1st Block Extension**
2. **EOP Extension for 2 years i.e., 6+2 years**

In respect of EPCG Authorization No. 0330038054 dated 18.02.2014 under 0% Concessional Duty.

The firm has stated that they were unable to fulfill its EO due to current market conditions owing to pandemic situations, and that they are ready to pay the Composition Fees. The firm has further stated that they have been issued a DL dated 10.11.2022 from RA, Mumbai, to which they have clarified that the total amount of duty saved is Rs. 19,76,984/- (worth 2 BOE's of Rs. 15,29,201/- and Rs. 31,431/-). The firm has also made an indigenous procurement against invalidation worth Rs. 1,33,469/-

Decision: The Committee deliberated upon the case and decided to r**ecommend to DG for relaxation under Para 2.58 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 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 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.

Case No-20: MahalaxmiPolypackPvt. Ltd., New Delhi
F. No. HQREPCGPRAPP00000604AM23

Subject: Request for re-fixation of AEO for re-fixation of AEO from Rs. 1,43,78,741.75 to Zero against EPCG Authorization nos. 0530162150 dated 17.01.2014 and 0530162149 dated17.01.2014 under 0% Concessional duty.

The firm has stated that at the time of filing of application, they submitted the C.A. certificate of preceding 3 years FOB value export without excluding the specific EO of other EPCG Authorization obtained earlier from CLA, New Delhi. Accordingly the AEO was imposed against above 2 EPCG authorizations. The firm has stated that this Average should be “Nil” because in 2010-11, 2011-12 and 2012-13 the total FOB value of Rs. 4,31,36,225.39 was against Specific EO of another EPCG Authorization.

2. The firm has informed that they had fulfilled EO after excluding the AEO. The firm has also stated that they had filed EODC application with the request of re-fixation of AEO. CLA, New Delhi informed them to approach the EPCG Committee, DGFT (HQ) for re-fixation of AEO.

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-21: Mahalaxmi PolypackPvt. Ltd., New Delhi</u>
F. No. HQREPCGPRAPP00000603AM23

Subject: Request for re-fixation of AEO for re-fixation of AEO from Rs. 44,069,632.15 to Zero against 4 EPCG Authorization nos.0530164970 Dated 21.05.2015, 0530165982 Dated 01.10.2015, 0530166515 Dated 11.12.2015, and 0530167421 Dated 27.04.2016.

The firm has stated that at the time of filing of application, they submitted the C.A. certificate of preceding 3 years FOB value export without excluding the specific EO of other EPCG Authorization obtained earlier from CLA, New Delhi. Accordingly the AEO was imposed against above 4 EPCG authorizations. The firm has stated that this Average should be "Nil" because in 2012-13, 2013-14 and 2014-15 the total FOB value of Rs. 13,22,08,896.47 was against Specific EO of another EPCG Authorization.

2. The firm has informed that they had fulfilled EO after excluding the AEO. The firm has also stated that they had filed EODC application with the request of re-fixation of AEO. CLA, New Delhi informed them to approach the EPCG Committee, DGFT (HQ) for re-fixation of AEO.

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-22: Jam Surgical Company Pvt. Ltd., Chennai</u>
F. No. HQRPRCAPPLY00004056AM23

Subject: Request for extension of EOP for 2 years beyond 6+2 years in respect of EPCG Authorization No. 0430014402 dated 06.02.2015 under 0% concessional duty.

The firm has stated that they could not fulfill their EO within extended time period i.e. 6+2 years due Covid-19 period and lockdown. The firm has also stated they could not avail the benefit of automatic extension as per Notification No. 28/2015-20 dated 23.09.2021 as they have already availed EOP extension for 2 years with payment of composition fee.

2. In support of their request, the firm has mentioned justification for non-fulfillment of EO that they had already got the license in early 2015 but are a drug product and they need to obtain a manufacturing license for production. They got all the machines installed and got the manufacturing license in March 2016 itself. After this they needed to get ISO and CE certificates for the export market. As they were exporting through their subsidiary company Cisco Latex Pvt. Ltd. Ltd. They got the license in 2019 itself. As they were getting export orders all got hit by corona and could not get orders for export as they were manufacturing medical devices used post-surgery and no surgeries took place during the Covid-19 pandemic.

Decision: 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 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.

Case No-23: The Indian Card Clothing Company Limited, Pune
F. No. HQREPCGPRAPP00000578AM23

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

Earlier, the firm vide F. No. HQREPCGPRAPP00000153AM23 dated 11.05.2022 had requested for second EOP Extension for 2 years (beyond 6+2 years) in respect of similar EPCG Authorization No. 3130007063 dated 07.12.2012 under 0% Concessional duty. The case was considered in 8th EPCG Committee Meeting of AM-23 held on 15.11.2022 wherein 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.

2. Now the firm vide review application dated 21.12.2022 has requested for second EOP Extension for 2 years (beyond 6+2 years) in respect of EPCG Authorization No. 3130007063 dated 07.12.2012 under 0% Concessional duty. The firm has submitted the following reasons and justifications about the challenges faced due to which they couldn't fulfill their 100% EO in stipulated time-

1. Operation of Dual Manufacturing facilities due to labor unrest and consequent losses (approx 7 years)- from FY 2012-19 the firm was required to operate two factories simultaneously wherein the planned migration of all production from MH to HP wasn't successful leading to production being distributed in two facilities, doubling of operating and capital expenses. Their products were not competitive for export markets, incurred heavy losses from card clothing operations in these years and the firm was unable to avail any excise benefit due to this in HP.
2. Closure of Pune facility in FY 2018-19- After operating two facilities with excess capacity for 7 years and incurring heavy losses the firm stated that an amicable settlement and agreement with labor union of Pune factory was negotiated during Jan-April 2018.
3. Migration and stability of operations to Himachal Pradesh (further 12-18 months)- Following settlement in April 2018 the firm took approximately 1 year to transfer, install, commission and stabilize the plant and machinery from Pune to HP factory and further 6 months to hire and train additional labor in HP to ensure competitiveness and good quality of products for domestic and export sales. Firm stated that they incurred losses on account of manufacturing constraints and began organized coordinated operations, lower cost structure and stable management team from June 2019.

4. Covid-19 pandemic- In FY 2019-20 where industry growth had declined 9% the firm stated they had shown 33% growth in exports and were further affected by Covid-19 pandemic lockdowns due to which their exports couldn't surpass expected figures.

Decision: After due deliberation, the Committee decided that the applicant may **approach RA** for extension in EOP till 31.12.2021 in accordance with Notification No. 28/2015-20 dated 23.09.2021. 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.

<u>Case No-24: Mahalaxmi Polypack Pvt. Ltd., New Delhi</u>
F. No. HQREPCGPRAPP00000577AM23

Subject: Requests below mentioned against 2 EPCG Authorizations under 0% Concessional duty :

1. **Request for re-fixation of AEO to be Zero against EPCG Authorization nos. 530163301 dated 01.09.2014 and 0530163790 dated 24.11.2014.**
2. **Request for condonation for the wrong online filling FOB value for the year 2011-12 i.e. 1,12,64,422 instead of Rs. 98,33,250.25 against EPCG Authorization no. 0530163790 dated 24.11.2014.**

The firm has stated that at the time of filing of application, they submitted the C.A. certificate of preceding 3 years FOB value export without excluding the specific EO of other EPCG Authorization obtained earlier from CLA, New Delhi. Accordingly the AEO was imposed against above 2 EPCG authorizations. The firm has stated that this Average should be "Nil" because in 2011-12, 2012-13 and 2013-14 the total FOB value of Rs. 7,35,11,061.20 were against Specific EO of another EPCG Authorizations. The firm has informed that they had fulfilled EO after excluding the AEO. The firm has also stated that they had filed EODC application with the request of re-fixation of AEO. CLA, New Delhi informed them to approach the EPCG Committee for re-fixation of AEO.

2. In respect of the second request, the firm has stated that at the time of online filing of application, by mistake we had mentioned FOB value for the FY 2011-12 as Rs. 1,12,64,422 instead of actual FOB Value Rs. 98,33,250.25 in the EPCG Authorization No. 0530163790 dated 24.11.2014, therefore the above two EPCG authorization with same licensing years are showing different AEO.

Decision: In respect of the 1st and 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-25: Fine Lace & Fabrics, New Delhi</u>
F. No. HQRPRCAPPLY00004021AM23

Subject: Requests against EPCG Authorization No. 0530160221 dated 23.01.2013under 3% Concessional duty :

1. **Request for extension of 1st Block till 31st December 2021 against above EPCG Authorization.**
2. **Extension of EOP for 2 years from 01.01.2022 to 31.12.2023 against above EPCG Authorization.**

The firm has stated that their EOP was extended up to 31.12.2021 as per DGFT notification no. 28/2015-20 dated 23.09.2021. Now, the firm has requested for 1st block extension so that S/Bill Nos. 6967639 dated 23.12.2021 and 6967582 dated 23.12.2021 may be considered for the first block and extension of EOP from 01.01.2022 to 31.12.2023.

Decision: The Committee deliberated upon the case and decided to r**ecommend to DG for relaxation under Para 2.58 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 10thyear) on payment of composition fee or imposition of additional export obligation in terms of Para 5.11 of HBP 2009-14 and late fee of Rs. 10,000/-.

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

This has the approval of DG, DGFT.

The Committee further deliberated upon the case and decided to advise the firm to approach RA for extension of Export Obligation Period (beyond 10 years) in terms of Public Notice No. 53/2015-20 dated 20.1.2023 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.

<u>Case No-26: Zoom Texturisers Private Limited, Surat</u>
F. No. HQRPRCAPPLY00004004AM23

Subject: Request for EOP Extension up to 24.10.2022 i.e. beyond 6+2 years in respect of EPCG Authorization No. 5230010839 dated 25.10.2012 under 0% Concessional Duty.

The firm has stated that they could fulfill 52.66% of EO in stipulated time period of 6 years due to:

- Exported other products like textile dyes and chemicals including rupee payment which have not been counted for fulfillment of EO
- Textile industry facing recessionary trends due to Covid-19 pandemic
- New taxation regime, intense competitive pressures in the global market etc.

2. The firm stated that they had imported Allma Saurer Model- Textile Machinery under EPCG Scheme and have fulfilled 120% of EO beyond initial EOP i.e. in 10 years. Firm further stated that they couldn't apply for EOP Extension in stipulated time period due to unawareness of policy provisions and were under the impression that total export performance can be counted for discharge of EO since they have made direct physical exports.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 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 Committee further 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.

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.

<u>Case No-27: Sliver Tex Engineers Private Limited, Tamil Nadu</u>
F. No. HQREPCGPRAPP00000569AM23

Subject: Request for EOP Extension up to 19.01.2024 i.e. 6+4 years in respect of EPCG Authorization No. 3230019913 dated 20.01.2014 under 0% Concessional Duty.

As per ANF-2D, the firm has stated that they couldn't fulfill 100% EO in stipulated time period due to non-functioning due to loss occurred during Covid-19 pandemic and it's after effects which resulted in crippling their finances. Firm further stated that the bank has agreed to extend the loan and therefore they can complete their EO. The firm has further stated that they have engaged in negotiations with South Korea and are hopeful to get export order and complete the EO within 19.01.2024 if EOP is extended.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 of FTP, 2023** to allow condonation of delay in approaching RA for EO extension for 2 years (from 6^{th} year to 8^{th} 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 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 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.

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.

Case No-28: Deltran Diesels Engineering Pvt. Ltd., Kolhapur (Maharashtra)
F. No. HQRPRCAPPLY00003976AM23

Subject: Request for extension of EOP i.e. upto 31.12.2023 against EPCG Authorization No. 3130007180 dated06.02.2013 under 0% Concessional duty.

The firm has stated that they installed the machine but the machine was working due to technical fault which took almost 2 years as a result of which they lost their initial specific export order. Hence, they could not complete their 50% EO in the first block. They paid the required composition fee and got waiver of block wise condition. Since their product was needed only for government projects and heavy industries, they could not generate any such export orders. In the year 2019 they were in touch with the Government of Netherlands through DP Industries and African Government who were ready to buy their product for new project and the deal was finalized. As they could not apply for extension of EOP for 2 years due to pandemic, the said deal got postponed.

2. The firm has also stated that their first extension period which was up to 06.02.2020 and second extension period which was up to 06.02.2021 are both covered under public notice but their contract with the foreign government was not finalized. The firm has further stated that they have not applied for any extension.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 of FTP, 2023** to allow condonation of delay in approaching RA for EO extension for 2 years (from 6^{th} year to 8^{th} 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 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 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.

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.

Case No-29: Galvano Track Solutions Pvt. Ltd., Bengaluru
F. No. HQREPCGPRAPP00000553AM23

Subject: Request for extension of EOP till 31.05.2022 in respect of EPCG Authorization No. 0730010570 dated 21.09.2011 under 0% Concessional duty - reg.

The firm has stated that they have taken the EPCG license for the first time & hence they were unaware of the policy procedure & regulations to the same. Though the EO obligation period endorsed on the license is 6 years, but like to say that they are SSI unit and the total plant & machinery is within SSI limit. Also the license was issued under SSI category. As such the EO obligation period should read as 21.09.2019 instead of 21.09.2017. They have requested to RA for said correction. As per policy provision grant of 1 yr extension will make the license valid till 21.09.2020. The relief granted under Covid will extend the license till 31.12.2021. As per policy 2nd EOP will make the license valid till 21.09.2022. They have completed EO obligation before 31.05.2022 & hence the firm has requested extension of EOP till 31.05.2022.

Decision: the Committee deliberated upon the case and decided t**o recommend to DG for relaxation under Para 2.59 of FTP, 2023 to allow** Condonation of delay in approaching RA for EOP extension for 2 years (from 6th years to 8th years) 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.

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.

Case No-30: Gtara Textiles Pvt. Ltd. (formerly know as K.S. Cotex (India) Pvt. Ltd.) , Indore
F. No. HQRPRCAPPLY00003718AM23

Subject: Request for 2nd extension of EOP beyond 8+2 years without 50% of customs duty against EPCG Authorization No. 5030000124 dated 24.08.2011 under 03% Concessional duty.

The firm has stated that they could not fulfill EO within the extended time period due to some unforeseen reasons and financial difficulties. Hence the firm has requested for second extension of EOP without 50% of customs duty against the above EPCG Authorization. In its application, the firm has also informed that their firm's name has been changed from K.S. Cotex (India) Pvt. Ltd. to Gtara Textiles Pvt. Ltd. (copy of certificate of Incorporation to change of name issued by office of the Registrar of Companies, Ministry of Corporate Affairs).

Decision: The Committee deliberated upon the case and decided to advise the firm to **approach RA** for extension of Export Obligation Period beyond 10 years in terms of 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 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.

Case No-31: Badri Vishal Agro Pvt.Ltd., Gwalior
F. No. HQREPCGPRAPP00103962AM22

Subject: Request for extension in EOP for two years in respect of EPCG authorization No.1130002552 dated 22.11.2012 under 03% Concessional duty.

The applicant has submitted that they have obtained EPCG authorization in 2012 but could not make exports due to increase in inputs, competition and Covid-19 situation since end of 2019 to current 2021 as there is a lockdown situation in many countries. Now, they have some good and concrete opportunity for export for the neighbouring countries like Nepal, Bangladesh and Bhutan and by these leads and association in the neighbouring countries with confirm orders we are quite sure that they will fulfill the export obligations if extension for two years is granted.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 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 Committee further deliberated upon the case and decided to advise the firm to **approach RA** for extension of Export Obligation Period beyond 10 years in terms of Public Notice No. 53/2015-20 dated 20.01.2023 where extension is permitted on account of COVID.

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.

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.

Case No-32: Star Engineers, Gujarat
F. No. HQREPCGPRAPP00148579AM22

Subject: Request for acceptance of job work for fulfillment of export obligation in respect of EPGCG authorization No. 3430002507 dated 10.06.2014.

The applicant has stated that with the change in business scenario and sever suffering from Covid-19, an SSI unit can survive and complete EO with amendment of EPCG authorization as requested. They have made partial physical & SEZ export during first block of EO. Thereafter they get only job work orders from SEZ units. Further, they manufacture important component called dished end of a product namely reactor used in chemical, petrochemical, fertilizer units -which is exported by SEZ. They import raw material- steel in very large quantity at very cheap rate, supply to them and they undertake job work and get job work charges thereby their high tech capital goods imported thru EPCG scheme are utilized for export production.

2. The applicant has submitted that with this business strategy of SEZ units, now it is impossible for an SSI unit like them to import small quantity Steel of and export finished product-Chemical reactor in competition with SEZ units having various cost cutting benefits. They have realized Rs. 1.40 crores from job work charges from SEZ unit from 2015 to 2021 using EPCG capital goods. In this connection it is stated that the exports by way of job work towards fulfillment of EO, is not covered under the definition of third party export under the EPCG Scheme.

3. The request of the firm was considered in the 9th Meeting of the EPCG Committee held on 16.12.2022 and decided as under:

> *"The Committee deliberated upon the case and decided to defer it with the directions to call for the actual details of job work done towards fulfillment of Export Obligation like product supplied etc and export items endorsed on the EPCG authorization of the firm."*

4. Accordingly, the firm was requested for the same. Now, the firm vide e-mail dated 11.02.2023 has furnished the requisite details issued by CA dated 10.02.2023.

Decision: The Committee went through the statements made by the applicant and observed that Job work to SEZ units is not covered under EPCG scheme. Committee 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-33: Alopa Engineering, Coimbatore

F. No. HQREPCGPRAPP00159817AM22

Subject: Request for condonation of block export obligation period and extension in EOP in respect of EPCG authorization No. 3230016171 dated 12.01.2011.

The applicant has made exports of Rs.12,39,301(13%)against an export obligation of Rs. 93,71,538 in the first block and made export of Rs.49,05,824 (52%). The applicant has stated that the applicant has not been penalised under any of the enactments mentioned in the declaration except for penalty of Rs. 1,00,000/- imposed by the JDGFT, Coimbatore vide Order dated 05.03.2021 in this very same case of non-completion of EO obligation and under the subject EPCG license in question and the applicant has preferred an appeal pending which the applicant is preferring this application.

2. The request of the firm was considered in the 13th Meeting of EPCG Committee held on 09.03.2022 and decided to defer the case for calling a detailed report from RA on the application of the party.

3. Accordingly, RA Coimbatore was requested for the same. Now, RA Coimbatore vide e-mail dated 07.02.2023 has submitted details as under:

> Whether any investigation/ECA action is contemplated/DRI Investigation pending in respect of the subject EPCG authorisation: Adjudication Order already issued on 05.03.2021.
>
> Firm had not submitted the EO documents even after expiry of EO period. Therefore, Show Cause Notice was issued to the firm. As there was no response, the case was adjudicated on 05.03.2021. Firm had subsequently preferred an Appeal with Addl. DGFT, Chennai. Addl. DGFT, Chennai, had sought para-wise comments on 01.11.2021 and the same was furnished on 09.11.2021. The outcome of the Appeal is not known. Meanwhile, firm has approached the EPCG Committee and they have submitted the EO documents on 09.11.2022. On scrutiny of the documents, it is seen that the firm has made exports beyond the original EO period i.e., from 12.01.2017 to 17.07.2020. As per the documents submitted by the firm, they have not maintained the Average EO and they have not submitted the Average EO statement duly certified by CA. The firm has fulfilled main EO to the extent of USD 94,825.60 within the EO period and they have made exports to the extent of USD 187986.70 beyond the EO period i.e., from 12.01.2017 to 17.07.2020. However, since the firm has not obtained EO extension, these exports cannot be taken into account for EO fulfilment. Moreover, they have not fulfilled the average EO. Firm has been advised to recalculate the main EO achieved over and

above the average EO to be maintained and regularise the case by paying customs duty plus interest for the unfulfilled EO.

Decision: The Committee observed that adjudication orders were passed already in this matter. EPCG committee decided not to intervene at this stage. Accordingly, the Committee decided to **reject** the request.

The Committee 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.

Case No-34: Maharshi Rice Mills Pvt Ltd, Nalgonda
F. No. HQREPCGPRAPP00176163AM22

Subject: Request for extension in EOP in respect of 5% EPCG authorisation No. 0930002130 dated 03.04.2006.

The applicant has stated that they have been granted Block-wise extension upto 02.09.2021 vide Amendment Sheet No. 3 on 21.06.2019 duly taking into consideration of Rice ban period for 3 years 5 months and 8 days. The applicant has further stated that as their Original EOP is expiring on 02.09.2021, they have been trying to apply online for 1st EOP Extension but are not finding the Licence reflected in the Portal.

2. The applicant has submitted that their's is a different case from the routine extensions, wherein the Rice Ban period is involved, kindly make necessary arrangements in the Software of the Portal to allow us to avail the benefit of Ban Period, since there is a defect in the system where the ban period has not been included in the software, to apply for 1st EOP Extension.

3. The subject EPCG authorisation is issued for EOP of 8 years upto 02.04.2014. the extended EOP of 2+2 years also expired on 02.04.2018 but the applicant claimed that their original EOP expiring on 02.09.2021. The applicant claimed to have obtained extension upto 02.09.2021 from RA due to ban on export product. However, the amendment sheet is not attached with the application. The applicant seeks further extension of two years to fulfil EO.

Decision: The Committee deliberated upon the case and decided to advise the firm to approach RA for extension of Export Obligation Period beyond 02.06.2021 in terms of 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 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.

Case No-35: Mahindra Electric Mobility Ltd , Mumbai
F. No. HQREPCGPRAPP00180548AM22

Subject: Request removal of annual average EO in respect of 06 EPCG authorisaion nos.

1. **No. 0730010402 dated 22.07.2011**
2. **No. 07300I0416 dated 28.07.2011**
3. **No. 0730010417 dated 28.07.2011**
4. **No. 0730010431 dated 02.08.2011**
5. **No. 07300I0443 dated 08.08.2011**
6. **No. 0730010649 dated 12.10.2011**

The applicant has stated in their opinion the imposed 'Annual Average' was WRONG , it was their mistake, as at the time of applications, they had considered Exports of a Different Export Product and submitted as under:

1. Earlier this company was known as 'Reva Electric Car Company Pvt. Ltd.' (IEC No.: 0796005362) and later on, this company was taken over by 'Mahindra Group' in 2010 and the name of the company was changed from 'Reva Electric Car Company Pvt. Ltd.' to 'Mahindra Reva Electric Vehicles Pvt. Ltd.'
2. On the basis of this Fresh Certificate of Incorporation dated 31.07.2010, they got changed the name in theri Importer Exporter Code (IEC) Certificate, though the IEC No. 0796005362 remained the same.
3. Later on, they changed the name from 'Mahindra Reva Electric Vehicles Pvt. Ltd.' to 'Mahindra Electric Mobility Limited'.
4. The Mahindra Electric Mobility Ltd. (IEC No.: 0796005362), obtained above EPCG Authorizations, from the Office of ADGFT Bangalore, to Manufacture and Export, a totally a New and Different Vehicle 'Electric Car-E20, [ITC(HS) Code: 87039010]'.
5. However, due to ignorance, by mistake, at the time of applying fresh EPCG Authorizations, they mentioned the Export Products, which were used to Manufacture and Exported by the erstwhile company , namely 'Reva Electric Car Company Pvt. Ltd.' and mentioned the same Export Products, as 'Reva Electrically Operated Vehicles, [ITC(HS) Code: 87031010]' and got imposed the Annual Average on the basis of Exports of these Products only in FY 2008-2009, 2009-20 I0 & 20I0-20II .
6. Under these EPCG Authorizations, they were allowed to Manufacture and Export 'Reva Electrically Operated Vehicles, [ITC(HS) Code: 87031010]' and were imposed above Annual Average, which was based on the export figures of preceding three licensing years 2008-2009, 2009-20I0 and 20I0-20II , before the issuance of above EPCG Authorizations, based on exports of a Different Product (Reva Electrically Operated Vehicles [ITC(HS) Code 87031010].

2. The applicant has submitted that :

1. In financial year 2008-2009, 2009-2010 and 2010-2011, they had exported 'Reva Electrically Operated Vehicles, [ITC(HS) Code: 87031010]' /

Automobile Spare Parts [ITC(HS) Code 87089900 I 85122090]' only, which is a Different /Other Product.

2. The Capital Goods, imported under above EPCG Authorizations were meant to set up a New Manufacturing Line to Manufacture and Export of 'Electric Car-E20, [ITC(HS) Code: 87039010], which is totally different from 'Reva Electrically Operated Vehicles, [ITC(HS) Code: 87031010]' /Automobile Spare Parts [ITC(HS) Code 87089900 /85122090]'.
3. By mistake, at the time of application for above EPCG Authorizations, they mentioned 'Reva Electrically Operated Vehicles [ITC(HS) Code: 87031010]' instead of 'Electric Car-E20 [ITC(HS) Code: 87039010]', which they corrected later on and were issued Amendment Sheets dated 25.06.2014 for all above EPCG Authorizations.
4. They started Exports of 'Electric Car-E20' from the FY 2013-2014 onwards and their exports of 'Electric Car-E20' for the FY 2008-2009, 2009-201 0, 2010-2011,2011 -201 2 and 20 1 2-2013 was Rs. Nil only.
5. The 'Old Product (Known as 'REVA-i'), on the basis of which, Annual Average was imposed in this EPCG Authorization was Different from the New Export Product (Known as 'E20') on many parameters.
6. Their request for removal of annual average has been rejected by RA, Bangalore.

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-36: Soubhagya LaxmiSugarS Limited, Gokak
F. No. HQRPRCAPPLY00199434AM22

Subject: Request for extension in first block of EOP in respect of 3% EPCG authorization No. 0730010553 dated 15.09.2011.

The applicant has stated that they have sufficient orders to fulfill. Due to Corona pandemic they are not able to fulfill the export obligation. They are sure that they will fulfill export obligation. The firm was called for the same. Now, the firm vide mail dated 11.01.2023 has submitted the following details:

	Reply
Export obligation fulfilled so far in value terms	Nil
Have they taken first block EO extension from 15.09.2019 to 14.09.2021	Yes
Have they taken EO extension from 15.09.2021 to two more years	Yes, from 15.09.2019 to 14.09.2021
What is the extension they desire: from which date to which date	14.09.2023

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 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.

The Committee further deliberated upon the case and decided to advise the firm to **approach RA** for extension of Export Obligation Period beyond 12th year in terms of 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 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.

This has the approval of DG, DGFT.

<u>Case No-37: SoubhagyaLaxmi Sugars Limited, Gokak</u>
F. No. HQRPRCAPPLY00199475AM22

Subject: Request for extension in EOP for two years in first block in respect of 3% EPCFG authorization No. 0730010998 dated 08/02/2012.

The applicant has stated that they have sufficient orders to fulfill. Due to Corona pandemic they are not able to fulfill the export obligation. They are sure that they will fulfill export obligation.

2. The applicant has requested for extension in EOP for two years in first block to fulfill EO which is not correct. The applicant should apply for first block extension in EOP and extension in EOP to fulfill export obligation. The firm was called for the same. Now, the firm vide mail dated 11.01.2023 has submitted the following details:

Question	Reply
Export Obligation fulfilled so far in value term	Nil
Have you availed first block EO extension from 08.02.2018 to 08.02.2020	Yes
Have you availed EO Extension from 08.02.2020 to two more years	Yes applied, and granted EOP extension by RA upto 07-02-2022.
Details about EOP Extension desired i.e. from which date to which date	07.02.2024

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 for delay in approaching RA for second extension in EOP (10^{th} year to 12^{th} 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.

The Committee further deliberated upon the case and decided to advise the firm to **approach RA** for extension of Export Obligation Period from 12th year in terms of 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 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.

This has the approval of DG, DGFT.

Case No. 38: Sidhi Vinayak Foods Private Limited, Ranchi
F. No. HQREPCGPRAPP00000681AM23

Subject: Request for EOP Extension for 2 years i.e. upto 31.03.2024 in respect of EPCG Authorization No. 2130000208 dated 20.01.2015 under 0% Concessional duty.

The firm has stated that they were supposed to export 50% in the 1st Block of 6 years and the rest 50% in the 2nd Block of 2 years as per Exim Policy. But, they could not export due to the unavoidable reason the required 50% of the total export obligation in the 1st Block of 6 years. The firm has further stated that they are ready to fulfill Export obligation with 25% enhancement (20% enhancement as per para 5.17(b) of HBP (2015-2020) + 5% enhancement as per Notification No. 53/2015-2020) within extended Export obligation period of 2 years.

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 6^{th} year to 8^{th} 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.

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 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.

This has the approval of DG, DGFT.

<u>Case No-39: Balaji Heavy Lifters Pvt. Ltd.,</u>
F. No. HQRPRCAPPLY00004318AM23

Subject: Request for extension of EOP for 4 years i.e. upto 30.06.2024 beyond 6 years against EPCG Authorization No. 3730000222 dated 01.07.2014 under 0% Concessional duty.

The firm has stated that they could not complete their EO within the stipulated time period due to economic slowdown and corona pandemic. The firm has also stated that they had applied to RA for extension of EOP for 2 years from the date of expiry but the same was not approved and no response was received from RA also.

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.

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 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.

<u>Case No-40: Sekhani Industries Private Limited, Gujarat</u>
F. No. HQREPCGPRAPP00000686AM23

Subject: Request for EOP Extension for 2 year from 02.01.2023 to 02.01.2025 i.e. beyond 6+2 years in respect of EPCG Authorization No. 0830006888 dated 02.01.2015 under 0% Concessional Duty.

The firm has stated that they were not able to complete EO within prescribed time period limit & therefore in terms of Para 2.58 of relaxation in policy. The firm has also stated that they were not able to fulfill their EO due to pandemic and they now have export orders in their hands.

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 20.1.2023 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.

<u>Case No-41: Sanat Printers, Sonipat</u>
F. No. HQREPCGPRAPP00001059AM23

Subject: Request for

1. **Allow exports made vide 7 shipping bills against EPCG Authorization No. 0530153786 dated 22.10.2010 towards fulfillment of EO against EPCG Authorization No. 0530160552 dated 18.03.2013.**
2. **Regularization of exports made beyond EOP but within 8 years.**

In respect of EPCG Authorization No. 0530160552 dated 18.03.2013 under 0% Concessional Duty.

The firm stated that they were granted EPCG Authorization No. 0530153786 dated 22.10.2010 and 0530160552 dated 18.03.2013. They made exports and fulfilled the EO against the Authorization No. 0530153786 dated 22.10.2010, and EODC letter was issued on 16.05.2014. The firm has further stated that they were issued another Authorization No. 0530160552 dated 18.03.2013. But, while exporting, they continued to mention details of the Authorization No. 0530153786 inadvertently, which was already redeemed on 16.05.2014. The firm has stated that all such exports vide 7 shipping bills are of the dated much after the issuance of EODC of EPCG No. 0530153786 dated 22.10.2010. The firm has also stated that there is another export vide shipping bill No. 3665179 dated 07.07.2020 and have the details of EPCG Number 0530160552 dated 18.03.2013 on it, but was made beyond the EOP but within the 8 years from the date of EPCG.

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

<u>Case No-42: Sunikh Components Private Limited, Gujarat</u>
F. No. HQREPCGPRAPP00000687AM23

Subject: Request for

1. **Blockwise Extension**
2. **EOP Extension for 2 years**
3. **Second EOP Extension upto 25.08.2022 i.e. beyond 6+2 years**

In respect of EPCG Authorization No. 0730013045 dated 06.01.2014 under 0% Concessional Duty.

The firm stated that they in the 1st Block (06.01.2014 to 06.01.2018) they had completed EO to the extent of Rs.2,67,842.37/-. They could not complete the balance EO in the referred block due to slump in the Market and industrial recession.

2. The firm further stated that in the 2nd Block (06.01.2018 to 06.01.2020) they had completed EO (Direct & Deemed Exports) to the extent of Rs.39,28,830.70/-. They could not complete the balance EO in the referred block due to Slump in the Market and Industrial Recession. The firm has also stated that they have submitted an online application to RA, Bangalore for Block-wise EO Extension on 19.01.2023, along with the composition fees and penalty. But, since the authorization was obtained as per FTP 2009-2014, RA Bangalore did not accept their request and issued a DL.

Decision: In respect of 1st & 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:-

> (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 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 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 EO period has already expired.

This has the approval of DG, DGFT.

In respect of 3rd 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. 53/2015-20 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.

Case No-43: Radhe Tex Private Limited, Surat
F. No. HQRPRCAPPLY00004346AM23

Subject: Request for Regularization of exports made outside of EOP i.e. from 28.04.2016 to 19.07.2017, in respect of EPCG Authorization No. 5230002024 dated 27.04.2007 under 03% Concessional Duty.

The firm has stated that based on the actual utilization, they had to export for FOB value of Rs. 3942443.16 (USD 89805.08), whereas they had exported for a total FOB value of Rs. 4772855/- (USD 97050.36), which means they have made excess exports by USD 7245.28.

However, out of USD 97050.36, they could export only for USD 60589.94 during the years 2007 and 2008 i.e. in 2 years. Due to circumstances beyond their control, they could not complete the remaining obligation within the validity of EOP. The firm has further stated they got the EOP extended upto 27.04.2016 (i.e. 8+1 year), but unfortunately due to one or other reasons, they could make the last shipment only on 19.07.2017.

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 8^{th} year to 10^{th} year) on payment of composition fee or imposition of additional EO in terms of Para 5.11 of HBP 2004-09 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 EO period has already expired.

This has the approval of DG, DGFT.

Case No-44: L&T Special Steels and Heavy Forgings Pvt. Ltd., Mumbai
F. No. HQRPRCAPPLY00004420AM23

Subject: Request for extension of EOP for one year i.e. upto 31.12.2022 against EPCG Authorization No. 0330028459 dated 21.11.2011 under 0% Concessional duty.

The firm has stated that they could not complete their EO within the extended time period due to the outbreak of Corona pandemic and restrictions on industrial oxygen, which severely affected the operations. The firm has also stated that their EOP was extended from 6 years to 10 years i.e. till 31.12.2021 but the extension period of 17 months falls during the Covid affected period. The firm has stated that they have now completed 100% EO. Therefore, the firm has requested for extension of EOP for one year i.e. 31.12.2022 as per PN No. 53/2015-20 dated 20.01.2023.

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

Case No-45: Shree Ramanuj Dyeing & Printing Mills, Surat
F. No. HQREPCGPRAPP00001049AM23

Subject: Request for

1. **1st Block Extension**
2. **EOP Extension for 2 years upto 31.12.2023 i.e. 6+2 years**

In respect of EPCG Authorization No. 5230014695 dated 30.07.2014 under 0% Concessional Duty.

The firm has stated that they submitted their application for EOP Extension on 19.01.2023 as per P.N. 67 dated 31.03.2020 and Notification No. 28/2015-20 dated 23.09.2021. In the mean time Public Notice No. 53/2015-20 dated 20.01.2023 was issued and RA issued deficiency letter to re-apply EOP extension as per PB No. 53/2015-2020 dated 20.01.2023. The firm has also stated that they were unable to fulfill their EO by 30.07.2020 due to COVID-19 pandemic lockdown and thus the cancellation of export orders. But, now they have upcoming export orders to fulfill their EO.

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 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 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 EO period has already expired.

This has the approval of DG, DGFT.

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.

Case No-46: Shree Ramanuj Dyeing & Printing Mills, Surat
F. No. HQREPCGPRAPP00001050AM23

Subject: Request for

1. **1st Block Extension**
2. **EOP Extension for 2 years upto 31.12.2023 i.e. 6+2 years**
3. **Allow payment of Fees for Excess Duty Saved Value Utilization within 10%**

In respect of EPCG Authorization No. 5230013898 dated 21.04.2014 under 0% Concessional Duty.

The firm stated has that they submitted their application for EOP Extension on 19.01.2023 as per P.N. 67 dated 31.03.2020 and Notification No. 28/2015-20 dated 23.09.2021. In the mean time Public Notice No. 53/2015-20 dated 20.01.2023 was issued and RA issued deficiency letter to re-apply EOP extension as per PN No. 53/2015-2020 dated 20.01.2023. The firm hasstated that they were unable to fulfill their EO by 21.04.2020 due to COVID-19 pandemic lockdown and thus the cancellation of export orders. But, now they have upcoming export orders to fulfill their EO.

2. The firm has further stated that they have utilized excess duty within 10% and they are ready to pay any penalty Imposed along with difference amount that nearly come blow Rs 50. Difference in FSV Value is Rs. 36,413.00.

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 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/-.

(c) Condonation of procedural lapse of delay of more than a month in payment of fee for excess duty saved amount as envisaged in the Para 5.16(a) of HBP 2009-14, subject to payment of composition fee of Rs. 5000/- and to the conditionthat the excess utilization is not more than 10% of duty saved mentioned in the subject EPCG authorization.

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 EO period has already expired.

This has the approval of DG, DGFT.

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.

Case No-47: Chandak Woollens Pvt. Ltd., Bikaner
F. No. HQREPCGPRAPP00001052AM23

Subject: Requested for review of EPCG Committee Meeting decision held on 18.01.2023 & 20.01.2023 i.e. Extension of EOP for two years from the dated of endorsement and not from

the date of original EOP in respect of EPCG authorization No. 1330001544 dated 12.03.2007 issued under 5% Concessional duty.

The firm vide application no. HQRPRCAPPLY00002765AM23 had requested for extension of EOP for two years from the dated of endorsement and not from the date of original EOP. In its application, the firm has stated that RA, Jaipur vide amendment letter dated 26.12.2018 endorsed the export product "Tufted Carpet" on license and granted them extension of EOP for two years. However, RA, Jaipur granted extension of EOP on 01.02.2019 which was valid till 31.03.2017. It is submitted that the date 31.03.2017 has already expired. The firm has further stated that RA, Jaipur should have given them extension from the date of endorsement and not from the date of original EOP period. RA was given EOP extension only after a period of 2 years 7 months and 6 days. During this period the original license remained in the custody of RA, Jaipur. The firm stated that they requested to RA Jaipur DGFT vide letter dated 12.02.2019 for extension of EOP 2 years after excluding the delay in filing extension from the period of two years.(i.e. from 31.03.2015 to 24.06.2016 i.e. 15 Months). However, RA Jaipur rejected their request and informed them as under:

> *"I am directed to inform you that the EOP Extension has already been granted for 2 years (Total 10 Years) after payment of composition fees. Further extension can be granted only subject to payment of 50% of customs duty on fulfillment of EO as per para 5.11 of HBP 2004-09."*

They have requested DGFT RA Jaipur to grant them 1st extension under first Para of Para 5.11 of HBP (2006-07) from the date of endorsement of extension i.e. 01.02.2019. So, second Para of Para 5.11 of HBP 2004-09 regarding payment of 50% custom duty is not applicable on them as it is applicable in case of 2nd extension. 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"*

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.

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.

Case No-48: Penta Latex LLP, New Delhi
F. No. HQREPCGPRAPP00000653AM23

Subject: Request for

1. **6 months EOP Extension from 31.06.2022 to 31.12.2022 in view of DGFT P.N. No. 67 dated 31.03.2021**

2. **Second EOP Extension for 1 year from 31.12.2022 to 31.12.2023 i.e. beyond 6+2 years**

In respect of EPCG Authorization No. 0530162992 dated 01.07.2014 under 0% Concessional Duty.

The firm has stated that they could not fulfill the export obligation in initial EO period of 6 years, therefore they filed request to RA for block-wise extension and EO extension period till 31.12.2022, after taking into account of EOP extension as per PN 67 dated 31.03.2020 and 2 years EOP as per para 5.11(c). However, RA granted EOP from 6 years to 8 years only (i.e till 30.06.2022) and not till 31.12.2022. The firm has also stated that Notification No. 28/2015-20 dated 23.09.2021 was issued on 23.09.2021 for EOP extension granted till 31.12.2021, where EO period is expiring between 01.08.2020 and 31.07.2021. Further, the firm has stated that their earlier EO period expired on 30.12.2020 as per Public Notice No. 67/2015-20 dated 31.03.2020, however they have taken further 2 years extension on 07.07.2020 i.e before issue of Notification No. 28/2015-12.

Decision: The Committee deliberated upon the case and decided t**o 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.

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.

This has the approval of DG, DGFT.

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.

Case No-49: Mahalaxmi PolypackPvt. Ltd., New Delhi
F. No. HQREPCGPRAPP00000576AM23

Subject: Requests against below mentioned 4 EPCG Authorizations under 03% Concessional duty :

1. **Request for re-fixation of AEO from Rs. 3,277,750.08 to Zero against EPCG Authorization nos. 0530159140 dated 29.08.2012, 0530160009 dated 20.12.2012, 0530160010 dated 20.12.2012 and 0530160011 dated 20.12.2012.**
2. **Request for condonation for delay in submission of additional application fees towards extra duty utilized as per para 5.16(a) of HBP 2015-20 in case of EPCG No. 0530159140 dated 29.08.2012.**

The firm has stated that at the time of filing of application, they submitted the C.A. certificate of preceding 3 years FOB value export without excluding the specific EO of other EPCG Authorization obtained earlier from CLA, New Delhi. Accordingly the AEO was imposed against above 4 EPCG authorizations.

2. The firm has stated that this Average should be "Nil" because in 2011-12 the total FOB value of Rs. 98,33,250.25 was against Specific EO of another EPCG Authorization. The firm has also stated that similarly, on 02.09.2016 one more Export Item was added i.e. Calcium Carbonate (FMB) and the AEO for the year 2013-14, 2014-15 & 2015-16 was revised by CLA, New Delhi but same mistake was occurred again by not deducting the specific export obligation of another EPCG Authorizations during the period 2013-14, 2014-15 & 2015-16.

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.

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.

Case No-50: Govindam Creation, Surat
F. No. HQRPRCAPPLY00004196AM23

Subject: Requests against EPCG Authorization No. 5230012031 dated 28.06.2013 under 0% Concessional duty:

1. **Extension of EOP for 2 years i.e. from 6 years to 8 years against the above EPCG Authorization.**
2. **Extension of EOP for 2 years i.e. from 8 years to 10 years by paying 50% Custom duty without any interest and penalties against the above EPCG Authorization.**

RA, Surat has informed them as under:

> " *This Auth was issued on 28.06.2013 under zero duty and as per Para 5.11 (c) of HBP 2009-2014 only one extn.is available. Hence even the extn of EOP has expired i.e. on 28.06.2021. Hence, you are requested to pay composite fee of 1st block & CD plus interest."*

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 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.

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 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.

Case No-51: Prisha Tubes Private Limited, New Delhi
F. No. HQREPCGPRAPP00000643AM23

Subject: Request for

1. **Automatic Extension from 20.02.2020 upto 31.12.2021 as per P.N. No. 67/2015 dated 31.03.2020 read with Notification No. 28/2015-2020 dated 23.09.2021**
2. **EOP Extension for 2 years i.e. from 31.12.2021 upto 31.12.2023 i.e. 6+2 years**

In respect of EPCG Authorization No. 0530162364 dated 21.02.2014 under 0% Concessional Duty.

The firm has stated that they had been exporting to various countries and lost their business due to losing their orders to China. The firm has further stated that they also lost their business due to sudden ban of exports during the COVID-19 period. The firm has also stated that they have resumed their business now and have confirmed export orders at their hand.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 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.

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 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.

Case No-52: Laxmi Soap Stone Pvt. Ltd., Banswara (Rajasthan)
F. No. HQREPCGPRAPP00000639AM23

Subject: Request for extension of EOP for two years beyond 6+2 years against EPCG Authorization No. 1330003953 dated 07.11.2013 under 0% Concessional duty.

As per amendment sheet issued by RA, Jaipur, EOP has been changed from 7 years to 8 years. They have completed 64% EO and remaining balance EO i.e. 36% could not be completed due to Covid.

Decision: The Committee further 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.
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.

Case No-53: Victor Textiles Limited, Panipat
F. No. HQRPRCAPPLY00003968AM23

Subject: Request for

1. **EOP Extension upto 31.12.2023**
2. **Waiver of interest on custom duty**

In respect of 5 EPCG Authorization Nos. 3330002855 dated 27.05.2013, 3330002856 dated 27.05.2013,3330002764 dated 01.03.2013, 3330001466 dated 23.10.2009 and 3330001467 dated 23.10.2009.

The firm has stated that they were unaware of the licences issued until the letter regarding the cancellation of BG were received from customs. The firm has further stated that their orders were cancelled due to COVID-19, but now they are gradually receiving new orders. The firm has stated that they have applied for PRC in regards to Authorization No. 3330001466 dated 23.10.2009. The request of the firm was accepted and extension was provided upto 25.05.2022, which is already expired, thus the firm has requested for EO Extension upto 31.12.2023 in respect of this Authorization No. 3330001466 dated 23.10.2009 also.

Decision: In respect of EPCG Authorization Nos. 3330002855 dated 27.05.2013, 3330002856 dated 27.05.2013, 3330002764 dated 01.03.2013, 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. 53/2015-20 dated 20.1.2023 where extension is permitted on account of COVID.

In respect of EPCG Authorization No - 3330002764 dated 01.03.2013 – This is 3% EPCG authorisation and EO period is valid for 8+2 years. The Committee deliberated upon the case and decided to advise the firm to **approach RA** for extension of Export Obligation Period beyond 10 years in terms of Public Notice No. 53/2015-20 dated 20.01.2023 where extension is permitted on account of COVID.

In respect of EPCG Authorization Nos. 3330001466 dated 23.10.2009 and 3330001467 dated 23.10.2009, 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.

Case No-54: MWN Press, Chennai
F. No. HQRPRCAPPLY00003641AM23

Subject: Request for extension of EOP form the date of endorsement as per the previous decision of the PRC agaisnt EPCG Authorization no. 0430011019 dated23.03.2012 under 0% Concessional duty.

Earlier, M/s MWN Press, Chennai, vide letter date 07.10.2020 (F.No. 01/36/218/93/AM-21/EPCG), requested for extension of EOP for further two years i.e. beyond 6+2 years in respect of EPCG Authorization no. 0430011019 dated 23.03.2012 under 0% Concessional duty. In Its application, the firm stated that they were unable to export the product in stipulated time and also during extended period due to cancelation of order by their customer. The request of the firm was considered in the 7th Meeting of AM-21 of the EPCG Committee held on 14.01.2021 and decided as under:

> *"The party seeks extension for 2 years against the subject EPCG authorisation issued under the Zero duty EPCG Scheme. The Committee noted that even after more than eight years of obtaining subject EPCG authorisation the party has not been able to fullfill the Export Obligation. The Committee deliberated upon the case and decided to* ***reject*** *it as there is no merit in the request."*

2. The request of the firm was considered in the 14th Meeting of AM-22 of the EPCG Committee held on 30.03.2022 and decided as under:

> *"Order dated 24.02.2022 in the W.P. No. 4102 of 2022 and WMP No. 4234 of 2022 filed before Hon'ble High Court, Madras (MWN Press v/s PRC, DGFT & 3 Others)*
>
> *To recapitulate, Applicant vide letter dated 07.10.2020 had requested for extension of Export Obligation (EO) period in respect of EPCG Authorization No. 0430011019 dated 23.03.2012. The firm stated that they were unable to export the product in stipulated time and also during extended period due to cancelation of order by their customer. Now, they have enough orders from their customer in order to complete to export obligation. The firm has requested for extension of EOP by further 2 years and they are ready to pay*

composition fee for extension of EO. The matter was examined by EPCG Committee in its 7 th meeting of AM-21 held on 14.01.2021. The decision of the Committee is as under:

*"The party seeks extension for 2 years against the subject EPCG authorisation issued under the Zero duty EPCG Scheme. The Committee noted that even after more than eight years of obtaining subject EPCG authorisation the party has not been able to fullfill the Export Obligation. The Committee deliberated upon the case and decided to **reject** it as there is no merit in the request."*

MWN Press, Chennai has forwarded a copy of interim order dated 24.02.2022 in the W.P. No. 4102 of 2022 and WMP No. 4234 of 2022 filed before Hon'ble High Court, Madras directing as under:

" Writ Petition under article 226 of the Constitution of India praying that in these circumstances stated therein and in the affidavit filed therewith the High Court will be pleased to issue a WRIT OF MANDAMUS or any other appropriate writ, order or direction in the nature of writ of mandamus directing the 1st and 2nd respondents herein to accept and grant Extension of Export Obligation period for 2 years made vide request application reference No. MWN/2021/EPCG, dated 05.10.2020 for complying the conditions of EPCG Authorization No. 0430011019, dated 23.03.2012, which is pending disposal till date. (in WP. No. 4102 of 2022) and;

(ii) To pass an INTERIM INJUCTION restraining the 2nd and 4th respondents herein or his men from proceeding all further actions including passing any final order pursuant to the notice dated 07.01.2022 vide F.No. 04/21/021/01287/AM12 (IEC 0492007136), and from taking coercive measures/precipitative actions for non-fulfillment of Export obligation under EPCG Authorization No. 0430011019, dated 23.03.2012 (in WMP.No. 4234 of 2022) pending disposal of the above WP.No. 4102 of 2022.

Order: This petition and miscellaneous petition coming on this day for hearing upon perusing the petition and the affidavit filed in support thereof and upon hearing the arguments of M/s. A.K. JAYARAJ, Advocate for the petitioner in both the petitions and of MR. J. MADANA GOPAL RAO, SPECIAL PANEL COUNSEL on behalf of the Respondents in both the petitions, the court made the following order:-

Mr. J. Madana Gopal Rao, learned Special Panel Counsel accepts notice for respondents and seeks some time to obtain instructions and to file counter.

2. The pendency of this Writ Petition will not stand in the way of the respondents considering the application filed by the petitioner as early as on 05.10.2020 after hearing the petitioner and in a manner known to law.

3. List on 24.03.2022. Counter/written instructions by then with an advance copy served upon the petitioner."

The Committee heard the submissions of the representative of the firm and noted that the extended EO period against the EPCG Authorization No. 0430011019 dated 23.03.2012 has expired on 22.03.2020.

After due deliberation, the Committee decided that the applicant may approach RA for extension of EO period upto 31.12.2021 in accordance with DGFT PN No. 67 dated 31.03.2020 read with Notification No. 28 dated 23.09.2021."

3. Now, the firm vide application dated 20.09.2022 has requested for extension of EOP from the date of endorsement as per the previous decision of the PRC against EPCG Authorization no. 0430011019 dated 23.03.2012 under 0% Concessional duty . In its application, the firm has stated that the EPCG Committee had not taken any substantive decision excepting the direction to consider the EOP upto 31.12.2021 as per the PN and notification that are in public domain.Further, the firm has stated that they approached to RA, Chennai as per decision of the Committee meeting held on 30.03.2022 and the relief cannot be granted due to the EOP recommended is only upto 31.12.2021 in the EPCG Committee meeting and the matter is back to square one.The firm has also stated that they will withdraw the WP pending before the Hon'ble High Court Madras, In WP No. 4102 of 2022 and WMP no. 4234 of 2022 Order dated 24.02.2022.

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-55: G. G. Automotive Gears Limited, Dewas (M.P.)
F. No. HQREPCGPRAPP00000350AM23

Subject: Request for extension of EOP for 1 year i.e. beyond 6+2 years against 4 EPCG Authorization Nos. 1130001675 dated 19.01.2010, 1130001815 dated 23.06.2010, 1130002343 dated 20.12.2011 and 5630000465 dated04.02.2014 under 0% Concessional duty.

The firm has stated that they could not fulfil their EO within the extended period i.e. 6+2 years. The firm has mentioned the following reasons for being unable to meet the EO:

1. EPCG License has been issued in the year 2010 and during the said period the US $ rate was within the range of Rs. 50 per USD and due to volatile foreign exchange fluctuations the export fulfillment has been delayed.
2. In their products the volume is high and value is less due to which the freight cost which leads to short fall in export fulfillment as it is calculated on FOB value of exports.
3. Due to the COVID-19 pandemic, manufacturing and supply has been disrupted leading to the decline in manufacture and export of goods.
4. Their shipment value *is around US$ 1500 to US$ 30000 in which freight has a higher component.*

2. The firm has also stated that there is a decline in exports in many sectors. As per Policy Circular No. 18/2015-20 dated 31.01.2019, HSN 8604 & 8606 have been included in the broad category (S.No. 48 & 58). The firm has further stated that there has been negative growth for Railway sector in the form of Railway Gears Wheel & Pinion (-69 to -69%). Export of their products viz. Railway Gears and Pinions account for a very small share of exports in the total country's exports and hence are not reflected in the overall shortfall.

3. The firm has stated that they are willing to pay the composition fee towards the portion of un-fulfilled export obligation in order to fulfill the export obligation within a period of one year.

Decision: In respect of EPCG Authorization Nos. 1130001675 dated 19.01.2010, 1130001815 dated 23.06.2010, 1130002343 dated 20.12.2011, The Committee went through the statements made by the firm and noted that the applicant has not submitted any cogent reason/justification in support of any genuine hardship faced by them and accordingly, the committee decided to reject the request of the applicant. The Committee 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.

In respect of EPCG Authorization No. 5630000465 dated 04.02.2014, 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.

Case No-56: Lakshya Hotels & Resorts Pvt Ltd., Haridwar
F. No. HQRPRCAPPLY00405672AM22

Subject: Request for relaxation to fulfil EO against EPCG Authorisation No. 0530149715 dated25.08.2009 under 03% Concessional duty.

The firm has stated that in June, 2013, there was series of cloudburst in Uttarakhand which caused devastation floods and landslides becoming the country’s worst natural disaster. Due to natural disaster at Uttarakhand, travel & tourism business was adversely affected. Government of Uttarakhand also declared Uttarakhand as a Natural Disaster State vide Memorandum dated 25 th July, 2013. The foreigners were advised by their respective governments to restrict their travelling to Uttarakhand. Since their hotel is situated in Uttarakhand, they could not meet the requirement of fulfilling the EO. The firm has further stated that due to the lockdown and travel advisories imposed by various governments in view of the Corona pandemic, they do not expect any foreign currency earnings for fulfillment of EOs in the near future, as the facts are not under their control.

2. In view of the above the firm has requested that it is very difficult for hotel industry to survive in a Natural Disaster as in Uttarakhand and COVID-19 in all over the world, therefore, to consider their request sympathetically for relaxation or relief on the grounds to genuine hardship and adverse impact on hotel/restaurant industry, especially situated in Uttarakhand.

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

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.

Case No-57: Himalaya International Ltd., New Delhi
F. No. HQRPRCAPPLY00384714AM22

Subject: Request for amendment in Specific EO and Average EO in respect of EPCG Authorisation no. 0530156389 dated02.09.2011 under 3% Concessional duty.

The applicant has stated that they were issued EPCG on the condition to Export 6 times the Duty saved Value in a period of 12 years. The firm has also stated that their Export products are sweets and appetizers, which are processed Foods. Therefore, the condition should be to export 8 times the duty saved value in 8 years. The firm has informed that they have completed their EO accordingly. The applicant has further stated that in the above license their Average EO was mentioned is Rs. **264,234,66.66** which according to them is wrong. It is informed that they were a 100% EOU unit and became a DTA unit in 2006-07 when they were issued EPCG Authorisation No. 0530143175 dated 01.03.2007 for conversion to DTA. Subsequently they were also issued final de-bonding order Dated 09.05.2007.

4. In view of the above, the applicant has requested to amend their EPCG license as under:

1. Specific EO terms in the license to 8 Times the Duty saved value in 8 years and
2. Average EO to be Rs. 49,02,715.00.

Decision: Committee discussed the case in detail. This authorisation was issued under 3% EPCG scheme. Since it is de-bonding case a report may be called from RA whether they paid 3% duty at the time of de-bonding. The case is deferred for want of report from RA.

Case No-58: Kalpatharu Breweries & Distilleries Pvt. Ltd., Bengaluru
F. No. HQREPCGPRAPP00000530AM23

Subject: Request against EPCG Authorization No. 0730013605 dated 11.07.2014 under 0% Concessional duty :

1. **Extension of EOP for 6 months i.e. from 11.07.2020 to 11.01.2021 as per Public Notice 67/2015-20 dated 31.3.2020 .**
2. **Extension of EOP for 1 year i.e. from 11.01.2021 to 31.12.2021 as per notification 28/2015-20 dated 23.09.2021.**
3. **Extension of EOP for 2 years i.e. from 31.12.2021 to 31.12.2023 as per Para 5.1(c) of HBP.**

The firm has stated that their EOP was not automatically extended as per Public Notice 67/2015-20 dated 31.3.2020, they had approached RA and extended their EOP for 2 years till 11.07.2022 (amendment sheet attached) without knowing the general relaxation granted by

DGFT. The firm has also stated that they are ready to take additional liability of 5% as per notification 28/2015-20 dated23.09.2021.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 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.

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.

Case No-59: Starlite Lighting Limited, Nashik
F. No. HQRPRCAPPLY00004372AM23
Subject: Request for

1. **EOP Extension for 2 years**
2. **Block-wise Extension**

In respect of EPCG Authorization No. 3130003727 dated 06.01.2009 under 03% Concessional duty.

The firm has stated that they have fulfilled 100% EO, but due to other orders they could not complete it within the original export period.

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 2004-09 and late fee of Rs. 10,000/-.

(b) Condonation of delay in approaching RA for EO extension for 2 years (from 8th year to 10th year) on payment of composition fee or imposition of additional EO in terms of Para 5.11 of HBP 2004-09 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 EO period has already expired.

This has the approval of DG, DGFT.

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.

Case No-60: Kals Breweries Pvt. Ltd., Chennai
F. No. HQREPCGPRAPP00000690AM23

Subject: Request for extension of EOP in respect of EPCG Authorization No. 0430009521 dated 10.02.2011 under 03% Concessional duty.

The firm has stated that due to restrictions imposed by the Government of Tamil Nadu on the export of alcoholic beverages, which were relaxed only in 2017. Thereafter, they obtained an export from the Govt. of Tamil Nadu. But due to Covid-19 pandemic, they were unable to complete the EO in its whole. However, they have exported for about Rs. 50 lakhs. The firm has also stated that a similar request made by the firm was approved by the EPCG Committee in its 10th Meeting of AM-23 dated 18.01.2023 and 20.01.2023. In this meeting, their 8 EPCG authorisations were allowed but EPCG authorisation No. 0430009521 dated 10.02.2011 was not considered inadvertently. However, the firm has requested for extension of EOP from the date of endorsement for this EPCG Authorization. As per Amendment sheet issued by RA, Chennai, EOP has been changed from 10 years 12 years against above EPCG Authorization.

Decision: In respect of 1st request, The Committee deliberated upon the case and observed that State Govt of Tamilnadu has not allowed export of Beer manufactured by them till 2017. Therefore taking into consideration hardship faced by the company in fulfulment of Export Obligation, it is decided to extend EOP for two years from the date of endorsement subject to the condition that the applicant shall submit the request to the RA within 30 days from the date of uploading of minutes along with 2% composition fee on duty saved amount in proportion to the shortfall in export obligation. 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.

In respect of remaining

FTP (2011-12) at para 5.5 provides that “Upto 50% EO may also be fulfilled by exports of other good(s) manufactured or service(s) provided by the same firm / company, or group company / managed hotel, which has the EPCG authorization. However, EPCG authorizations issued prior to 01.04.2008 will be governed by earlier policy provisions.” Accordingly, RA may allow the same, after examining relevant documents related to the goods manufactured by them, share holding pattern and definition of group company as per the then FTP.

Case No-61: Jarvis Equipment Pvt. Ltd., New Delhi
F. No. HQREPCGPRAPP00000557AM23

Subject: Requests against EPCG Authorization No. 0530156346 dated 26.08.2011 under 0% Concessional duty :

1. **Request for extension of 1st Block for two years i.e. from 26.08.2015 to 26.08.2017 against above EPCG Authorization.**
2. **Extension of EOP for 2 years i.e. from 26.08.2017 to 28.08.2019 against above EPCG Authorization.**

The firm has stated that they couldn't fulfill their Block-wise EO in stimulated time period due to cancellation of initial export order; some export was fulfilled under the said EPCG Authorisation with delay of five years from the issuance of said EPCG Authorisation. Due to very less demand of export item (Band Saw Blades) in overseas market, they were struggling a lot to get export orders and finally they had export orders after 2016. Accordingly they fulfilled the 28.9%EO by direct exports by 20.08.2019 and in the meantime the EOP lapsed and during that time the concerned person also left the company without disclosing the status of the case. Due to which they did not submit the application for EOP extension to RA office within the stipulated time and exports after 26.08.2017 would not be considered due to expiry of initial EOP.

2. The firm has also stated that they have already deposited custom duty and interest of balance EO through challan dated 13.04.2021 of Rs. 11,00,000/- so once they get the approval of first EOP extension along with first block extension, the license will be amended accordingly so as to consider shipping bills exported for EO.

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 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 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 EO period has already expired.

This has the approval of DG, DGFT.

Case No-62: Badri Vishal Agro Pvt. Ltd., Gwalior
F. No. HQREPCGPRAPP00000583AM23

Subject: Request for extension of EOP for two years beyond 10 years in respect of EPCG authorization No. 1130002559 dated 14.12.2012 under 03% Concessional duty.

Earlier, the firm vide application no. HQREPCGPRAPP00105756AM22 dated 02.06.2021 requested for extension of EOP for two years in respect of EPCG authorization No. 1130002559 dated 14.12.2012 under 03% Concessional duty. The request of the firm was considered in the 12th Meeting of the EPCG Committee held on 28.01.2022 and decided as under:

> *"The applicant has submitted that they applied through the online portal in the amendment section for extension which was been rejected due to wrongly filed in that section and were ordered to file the extension EO and block wise extension link. They were not aware of the new online application format and due to that DGFT RA office was not in operation fulltime and they were not able to get the complete process of filling the application of extension as the officer in charge was under influence of covid 19.*

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

Condonation of delay in approaching RA for EO extension on payment of composition fee or imposition of additional export obligation in terms of para 5.17 of Handbook of Procedures (w.e.f. 05.12.2017) and late fee of Rs.10,000/ - .

The above relaxation is also subject to the condition that the installat ion of capital goods has been done as per policy.

This has the approval of DG, DGFT."

2. Now, the firm has stated that they applied in PRC for EOP extension for two years but they have got extension in September, 2022 which left only 3 months to complete the EO. At that time the export of Nepal was banned by the government. They have some firm orders from Bhutan. Hence the firm has requested to extend the EOP for two years to meet the EO.

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

<u>Case No-63: Lakhi Textiles, Mumbai</u>
F. No. HQREPCGPRAPP00000599AM23

Subject: Request for extension of EOP for two years i.e. from 10 years to 12 years in respect of EPCG Authorization No. 0330026346 dated 21.06.2010 under 03% Concessional duty.

The firm has stated that they were granted EOP Extension from 8 to 10 years from RA as per Notification No. 28 dated 23.09.2021. The firm has also stated that they have completed 75% EO before 31.12.2021 and the balance completed in February 2022. The firm has informed that they have already paid 50% duty saved amount in Customs as composition fees for extension from 10 to 12 years as per Para 5.11 of HBP 2009-14.

Decision: The Committee deliberated upon the case and observed that first EO extension for 8+2 years was already granted. Further extension till 31.12.2021 was also granted on account of COVID. Therefore committee decided to **reject** any further relaxation in this matter.

<u>Case No-64: Waves Hotels and Estates Pvt. Ltd., Mumbai</u>
F. No. HQREPCGPRAPP00000616AM23

Subject: Request for

i. One-time condonation of block-wise EO fulfillment

ii. Delay in Submission of Installation Certificate for Issuance of Export Obligation Discharge Certificate

In respect of EPCG Authorization No. 0330032978 dated 22.06.2012 under 03% Concessional Duty.

The firm has submitted an application for redemption of EPCG License No. 0330032978 dated 22.06.2012 to RA, Mumbai and they have received DL from RA, Mumbai dated 08.10.2021 for payment of Composition Fee for extension of 1st Block Period and Late Fee for submission of Installation Certificate. The firm further stated that they have paid the Composition Fee of Rs. 5,530/- against shortfall in 1st Block Period along with the penalty of Rs. 5,000/- for late 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 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/-.

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 decided to call for a copy of Installation Certificate from applicant and **deferred** the case.

Case No-65: Metaforge Engineering (India) Private Limited, Nashik
F. No. HQREPCGPRAPP00000632AM23

Subject: Request for extension of EOP up to 02.08.2018 i.e. from 10th to 12th year without payment of Customs Duty in respect of EPCG Authorization No. 3130001884 dated 03.08.2006 under 05% Concessional Duty.

Earlier, the firm (F. no. 01/36/218/168/AM-19/EPCG-I) requested for extension of EOP in respect of 4 EPCG Authorization nos. 3130001372 dated 17.10.2005, 3130001436 dated 05.12.2005, 3130001883 dated 03.08.2006 and 31300018 84 dated 03.08.2006. The case was considered in the 9th EPCG Committee Meeting held on 24.01.2019. The Committee noted that the party has requested for extension of EOP in respect of 4 EPCG Authorizations and stated that they have made all the exports under Drawback after the expiry of EOP. In this regard, the party further states that due to Customs EDI systems constraint, they could not put EPCG License No. at the time of filing shipping bills for customs assessments. They are requesting to extend the EOP for a further period of 04 years to regularize the above-mentioned exports made after the expiry of original EOP. The Committee deliberated upon the case and decided to reject it as there is no merit in the request to consider shipping bills without endorsement of EPCG Authorizations**.**

2. Now, the firm vide application dated 07.01.2023 has requested for extension of EOP extension up to 02.08.2018 i.e. from 10th to 12th year without payment of customs duty in respect of EPCG Authorization No. 3130001884 dated 03.08.2006 under 05% Concessional duty along with an application fee of Rs. 5000/-. The firm has stated that they have fulfilled 109.07% EO.

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

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.

Case No-66: TBEA Energy (India) Private Limited, Vadodara
F. No. HQREPCGPRAPP00000667AM23

Subject: Request for EOP Extension i.e. 6+2 years in respect of EPCG Authorization No. 3430002388 dated 07.06.2013 under 0% Concessional duty.

The firm has stated that in order to regularize their exports, the firm applied to RA, Vadodara for E.O. period extension as per P.N. No. 3 dated 13.04.22 with additional payment of late fee of (Rs. 10,000 + 5,000) Rs. 15,000/-. However, RA rejected their application stating that P.N. No. 3 dated 13.04.22 is applicable for Policy year 2015-20, where as their license is issued under Policy year 2009-14 and therefore, this P.N. No. 3 dated 13.04.22 is not applicable to them. The firm further stated that they have completed 100% EO on 15.12.2020. (1.5 year beyond original EO period).

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 of FTP, 2015-20 to allow** Condonation of delay in approaching RA for EO extension for 2 years (from 6^{th} year to 8^{th} 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 following conditions:-

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

ii. The payment of balance duties of Customs plus interest on unfulfilled EO since the EO period has already expired.

This has the approval of DG, DGFT.

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.

Case No-67: Prijai Heat Exchangers Private Limited, Mumbai
F. No. HQREPCGPRAPP00000642AM23

Subject: Request for Condonation of delay in submission of enhancement fees for excess duty saved value (10%) in respect of EPCG Authorization No. 0330021199 dated 05.09.2008 under 03% Concessional Duty.

The firm has stated that as per Para 5.16 of HBP, they did not apply for enhanced duty saved value towards RA, Mumbai. They approached this office as per DL issued by RA, Mumbai. The firm has further stated that they have fulfilled 100% EO against their EPCG license

Decision: The Committee deliberated upon the case and decided to advise applicant to apply to RA concerned as per Public Notice No. 58/2015-20 dated 24.02.2023 for condonation of excess duty utilisation.

Case No-68: Mayura Packaging Pvt. Ltd., Coimbatore
F. No. HQREPCGPRAPP00000020AM24

Subject: Request for extension of EOP for 2 years i.e. beyond 6+2 years in respect of EPCG Authorization No. 3230021638 dated 08.01.2015 under 0% Concessional duty - reg.

They have stated that they got EO extension already up to 8 years till 31.1.2023.The firm has stated that they could fulfil around 66% EO during the extended EOP and also added that their buyers are ready to accept the manufactured items but the EOP has expired. Hence, they are not in a position to meet the balance exports under EPCG license subject. Keeping in view the genuine difficulties faced by them due to Covid-19 and non-availability of raw material. The firm has requested for an extension of 2 years in continuation to complete the balance EO.

Decision: The Committee deliberated upon the case and decided to recommend to DG for relaxation under Para 2.58 of FTP, 2015-20 to allow extension of EO for further period of 18 months on account of COVID. The applicant is advised to approach RA for extension of Export Obligation Period upto. 31.7.2024.

This has the approval of DG, DGFT.

Case No-69: Healthcare Global Enterprises Limited, Bangalore
F. No. HQREPCGPRAPP00178666AM22

Subject: Request for (i) Extension in EOP for fulfilment of EO by at least 5 years from March 2021,

(ii) One or more hospitals of HCG group as a whole may be allowed to aggregate the export obligations and meet the same in the extended period, and

(iii) Allowing acceptance of payment in INR in respect of EPCG authorisation number - regarding

M/s. Healthcare Global Enterprises Limited, Bangalore vide application dated 07.09.2021 before PRC have requested for (i) extension in EOP for fulfilment of EO by at least 5 years from March 2021 (ii) One or more hospitals of HCG group as a whole may be allowed to aggregate the export obligations and meet the same in the extended period, and (iii) Allowing acceptance of payment in INR in respect of EPCG authorisation No. 0730016357 dated 10/03/2017. The matter was examined earlier and kept pending for issue of relief measures for the Hotel industry.

2. To mitigate the affect of Covid pandemic, exemption in maintaining Average EO for select sectors like Hotels etc. has been granted under PN No. 53 dated 20.01.2023.

3. Shri Devang Vyas, ASG, Hon'ble High Court of Ahmedabad has forwarded a copy of the final order dated 05/05/2023 in the Special Civil Application No. 6244 of 2023 (M/s. HCG Medi-Surge Hospitals Pvt. Ltd. *Versus* Director General of Foreign Trade). The operative portion of the order is given below :-

> *"….4. Mr. Devang Vyas, learned ASG, appearing for the respondent authority, on instruction, submitted that the representation preferred by the petitioner herein dated 02.09.2021, duly produced at Annexure – B, page 110 of the petition, will be decided by the respondent authority within a period of eight weeks from the date of receipt of this order.*
>
> *5. Considering the fact that the respondent authority would be considering the representation dated 02.09.2021 which is pertaining to the relaxation of conditions pertaining to Export Promotion Capital Goods Scheme (for short 'EPCG'), no coercive steps be taken against the petitioner herein till the said representation is decided.*
>
> *6. In view of the statement made by Mr. Devang Vyas, learned ASG and with consent of learned advocates appearing for the respective parties, the petition stands disposed of. This Court has otherwise not opined on the merits of the matter. …"*

The representation dated 02.09.2021 is attached at *"Annexure – B, page 110 of the petition".*

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-70: Shri Jagannath Steels & Power Limited, Odisha
F. No. HQREPCGPRAPP00000629AM23

Subject: Request for

1. **First block Extension**
2. **EOP Extension**

In respect of EPCG Authorization No. 2330001011 dated 05.06.2014 under 0% Concessional Duty.

The firm has stated that they had submitted an application to RA regarding first block extension on 02.04.2018, 24.05.2018, and 19.12.2018. However, both their applications are kept in abeyance by RA due to pendency of their application for delay in submission of installation certificate. The firm has also stated that due to conditions and factors beyond the control of the firm, the CGs could not be installed within time allowed and the firm's application for condoning the delay in IC was pending for adjudication.

2. Further, the firm stated that vide minutes of 3 rd EPCG Meeting of AM-23 held on 25.05.2022, the EPCG Committee decided to condone the delay in installation of capital goods and recommended the case to PRC for allowing the delay in installation of CGs. The firm also stated that in the 12th meeting held on 23.08.2022, PRC Section approved their request, *"The Committee examined the submission made by the firm along with the letter dated 11.03.2022 received from DRI and discussed the matter at length. Accordingly, the Committee decided to accede to the request of the firm for condonation of delay in submission of installation certificate against EPCG Authorization No.2330001011 dated 05.06.2014. The firm shall approach RA within 30 days from the date of uploading of the minutes of meeting".*

3. Accordingly, a letter dated 21.10.2022 was sent to DRI as a reply to their letter dated 11.03.2022 and 12.10.2022. The firm has requested that since their request for delay in submission of IC has been condoned vide order dated 23.08.2022, their application for extension of first block may be allowed with the condition that 10% enhancement of EO be fulfilled by the firm along with the original export obligation for the same period.

Decision: The Committee deliberated upon the case and decided to r**ecommend to DG for relaxation under Para 2.58 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 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 6th to 8th years) has already expired.

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 /2015-20 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.

Case No-71: Chajju Ram Munilal Foods Pvt. Ltd., Mukerian (Punjab)
F. No. HQREPCGPRAPP00000625AM23

Subject: Request for extension of 1st block in respect of EPCG Authorization No. 3030006525 dated 31.03.2010 under 03% Concessional duty.

The firm has stated that their EOP amended to read as 12 instead of 8 years as per Amendment sheet issued by RA Ludhiana (amendment sheet attached). The firm has also stated that the first block was automatically extended for 6 months i.e. valid till 30.09.2020 as per the PN number. 67 dated 31.03.2020 but they could not fulfil their 50% EO in the 1st block. The firm has informed that they have fulfilled their 100% EO in 2nd block i.e. before the expiry of authorization.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 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/-.

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-72: Babylon Agro Products Pvt. Ltd., Kolkata
F. No. HQREPCGPRAPP00000607AM23

Subject: Request for extension of 1st Block in respect of EPCG Authorization No. 0230010019 dated 01.01.2015 under 0% Concessional duty.

The firm has stated that they could not fulfill 50% EO in the 1st Block within the stipulated time period i.e. 4 years due to the unavoidable market situation. Therefore, 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 2.58 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/-.

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-73: Ferro Curves, Kolkata
F. No. HQREPCGPRAPP00000573AM23

Subject: Request for extension of 1st Block in respect of EPCG Authorization No. 0230010022 dated02.01.2015 under 0% Concessional duty.

The firm has stated that they could not complete 50% EO in the 1st Block within stipulated time period i.e. 4 years due to the unavoidable reason. They completed 31.66% EO in USD in the 1st block. In order to fulfil its EO against the above license, the firm has requested for extension of 1 block.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 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/-.

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-74: Modern Inns Pvt. Ltd., Kolkata
F. No. HQREPCGPRAPP00000571AM23

Subject: Request for extension of 1st block in respect of EPCG Authorization No. 0230009450 dated 04.04.2014 under 0% Concessional duty.

The firm has stated that they could not fulfil their 50% EO in 1st block within stipulated time period due to Covid-19 as well as lockdown. The firm has also stated that they could not apply for extension of 1st block. Therefore, the firm has requested for extension of 1st block in order to fulfil their EO.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 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/-.

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-75: Vivekananda Paddy Mills Private Limited, West Bengal
F. No. HQREPCGPRAPP00000570AM23

Subject: Request for 1st Block Extension in respect of EPCG Authorization No. 0230007205 dated 11.10.2011 under 03% Concessional Duty.

The firm has stated that they have imported Capital Goods under the EPCG scheme with an obligation to export 8 times of the duty saved in 12 years, where they were supposed to export 50% in 1st Block of 10 years and the rest 50% in the 2nd Block of 2 years as per Exim Policy. The firm further stated that they couldn't fulfill requisite EO in 1st Block in stipulated time period due to unavoidable reason.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 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/-.

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 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.

Case No-76: Montanari Lifts Components Pvt. Ltd., Pune
F. No. HQREPCGPRAPP00000671AM23

Subject: Request for extension of 1stBlock in respect of EPCG Authorization No. 3130007104 dated 02.01.2013 under 0% Concessional duty.

The firm has stated that they could not complete the 50% EO within the stipulated time period i.e. 4 years in the first block due to shipping bills filled as free shipping bills. The firm has also said that they have completed 100% in the second block. Hence, the firm has requested to condone of the first block against the above EPCG Authorization.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 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/-.

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-77: SidhiVinayak Foods Private Limited, Ranchi
F. No. HQREPCGPRAPP00000680AM23

Subject: Request for 1st Block Extension in respect of EPCG Authorization No. 2130000208 dated 20.01.2015 under 0% Concessional duty.

The firm has stated that they were supposed to export 50% in the 1st Block of 6 years and the rest 50% in the 2nd Block of 2 years as per Exim Policy. But, they could not export due to the unavoidable reason the required 50% of the total export obligation in the 1st Block of 6 years.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 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/-.

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-78: Sachdeva Home Furnishing Private Limited, Panipat
F. No. HQREPCGPRAPP00000674AM23
Subject: Request for

1. **Blockwise EOP Extension**
2. **EOP Extension for 2 years up to 30.03.2023, i.e. 6+2 years**

In respect of EPCG Authorization No. 3330003574 dated 30.03.2015 under 0% Concessional Duty.

The firm has stated that they could not fulfill EPCG Authorization No. 3330003574 dated 30.03.2015 due to corona pandemic and Ukraine war.The firm hasfurther stated that they could not apply for block-wise and EOP extension due to lockdown and layoffs of labour. But, now they have procured orders at their hand and are confident to fulfill their EO in the remaining time.

Decision: The Committee deliberated upon the case and decided to r**ecommend to DG for relaxation under Para 2.58 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 6th year to 8thyear) 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 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 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.

<u>Case No-79: Savvak Engineering Innovations Private Limited, New Delhi</u>
F. No. HQREPCGPRAPP00000005AM24

Subject: Review application w.r.t. request for second EOP Extension for 3 months i.e. beyond 6+2 years in respect of EPCG Authorization No. 0530155730 dated 10.06.2011 under 0% Concessional Duty.

Earlier the firm vide F. No. HQRPRCAPPLY00003270AM23 had requested for second EOP Extension for 1 year i.e. beyond 6+2 years in respect of EPCG Authorization No. 0530155730 dated 10.06.2011 under 0% Concessional duty. The matter was considered in the 11th EPCG Meeting on 22.02.2023 wherein the Committee went through the statements made by the firm and noted that the applicant has not submitted any cogent reason/justification or any genuine hardship faced by them in support of request for EO extension beyond 6+2 years and accordingly, the Committee decided to reject the request of the applicant.

2. Now, the firm vide review application dated 07.04.2023 has requested for review of application for grant of extension in export obligation for 3 months in respect of EPCG License No. 0530155730 dated 10.06.2011. The firm has submitted the following:

1. The firm has stated that they were unaware that the EO has to be fulfilled in USD, as they took the EPCG license for the first time.
2. The firm further stated that they have completed more than 100% EO in rupee terms, and hence have requested for EO extension to complete the balance EO in USD.

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

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.

Case No-80: Shaun Filaments, Goa
F. No. HQRPRCAPPLY00000009AM24

Subject: Request for Second EOP Extension for 2 years i.e. beyond 6+2 years in respect of EPCG Authorization No. 1730001259 dated 25.06.2014 under 0% Concessional Duty.

The firm has stated that they could not complete the Export Obligation and Average Export within the stipulated time due to COVID pandemic and unavoidable hurdles in getting export orders. They have requested for extension in EO.

Decision: 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 20.1.2023 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.

Case No-81: AV Precision Tubes Pvt. Ltd., Hisar (Haryana)
F. No. HQREPCGPRAPP00000549AM23

Subject: Request for extension of EOP for two years beyond 8 years i.e. from 8 years to 10 years in respect of EPCG Authorization No. 3330003444 dated05.11.2014 under 0% Concessional duty.

The firm has stated that they could not fulfil their EO within stipulated time period. Although, they have taken extension period for fulfilment EO but all time has been lapsed in the continuity of license period and in addition of some new HSN code in EPCG Authorization, because original was valid upto 05.11.2020.

2. The firm has also stated that they could not complete their pending EO as their export have been adversely affected by unfavourable market situations, financial constraints and non-receipt of new orders due to Covid-19 pandemic restrictions which have adversely affected their business in the middle of the year 2022

Decision: 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 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.

Case No-82: Walmark Meditech Private Limited, Nagpur
F. No. HQREPCGPRAPP00000016AM24

Subject: Request for Block-wise and EOP Extension for 2 years i.e. beyond 8+2 Years, in respect of EPCG Authorization No. 5030000193 dated 26.03.2012 under 03% Concessional duty.

The firm has stated that they were unable to export their shipments due to financial crunch. After which, due to international slowdown, they were not getting export orders.The firm further stated that during the COVID-19 situation, their production stopped along with the export dispatches. The firm also stated that they have completed 95% of EO despite the hardships and they are now having regular export orders in our hand & are in position now to fulfill the export obligation.

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/-.

The Committee deliberated upon the case and observed that they have received EO extension already upto 26.3.2022. Committee decided to advise the firm to approach RA for extension of Export Obligation Period beyond 10 years in terms of Public Notice No. 53 /2015-20 dated 20.01.2023 where extension is permitted on account of COVID.

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 EO period has already expired.

This has the approval of DG, DGFT.

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.

Case No-83: Vaibhav Plasto Printing & Packaging Private Limited, Nagpur
F. No. HQREPCGPRAPP00000015AM24

Subject: Request for Block-wise and Second EOP Extension for 2 years i.e. 6+2 years in respect of EPCG Authorization No. 5030000537 dated 23.12.2014 under 0% Concessional duty.

The firm has stated that they were unable to export their shipments due to financial crunch. After which, due to international slowdown, they were not getting export orders.The firm further stated that during the COVID-19 situation, their production stopped along with the export dispatches.The firm also stated that they have completed 75% of EO despite the hardships and they are now having regular export orders in our hand & are in position now tofulfill the export obligation.

Decision:

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

(a) Extension in block-wise EOP, as the party 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/- per authorisation.

(b) Condonation of delay in approaching RA for EOP extension (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/- per authorisation.

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 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 20.1.2023 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.

Case No-84: Navratan Specialty Chemicals LLP, Ahmedabad
F. No. HQREPCGPRAPP00000017AM24

Subject: Request for second EOP Extension for 2 years i.e. beyond 6+2 years in respect of EPCG Authorization No. 0830007070 dated 17.03.2015 under 0% Concessional Duty.

The firm has stated that they have face huge losses in business and export orders due to COVID-19.The firm further stated that their request of EPCG amendment for addition of products made earlier was withdrawn as license validity under auto route was not considered nor validity period extension was granted in time. For which, they have again applied for amendment, which was considered on 23.03.2023.The firm also stated that their exports were also impacted hugely due to Russia-Ukraine War, high inflation and payment defaults.

Decision: 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 20.1.2023 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.

Case No-85: Shaun Filaments, Goa
F. No. HQRPRCAPPLY00000008AM24

Subject: Request for Second EOP Extension for 2 years i.e. beyond 6+2 years in respect of EPCG Authorization No. 1730001258 dated 19.06.2014 under 0% Concessional Duty.

The firm has stated that they could not complete the Export Obligation and Average Export within the stipulated time due to COVID pandemic and unavoidable hurdles in getting export orders.

Decision: The Committee further deliberated upon the case and decided to advise the firm to **approach RA** for extension of Export Obligation Period from 8 years in terms of Public Notice No. 53/2015-20 dated 20.1.2023 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.

<u>Case No-86: Sachin Dyeing and Printing Mills Private Limited, Surat</u>
F. No. HQRPRCAPPLY00004352AM23

Subject: Request for EOP Extension for 6 months from date of endorsement or upto 11.12.2023 (i.e. 6+2 years) in respect of EPCG Authorization No. 5230015698 dated 11.12.2014 under 0% Concessional Duty.

The firm stated that they had obtained EPCG for procurement of Capital Goods from domestic sources for a duty saved value of Rs.2307841/- (notional). Accordingly, they procured the goods from the domestic supplier and installed the same at our factory on 14.02.2015.The firm also stated that based on the notional customs duty saved on above capital goods, they had to fulfill export obligation for a total FOB value of Rs.13847046/- (USD 221198.81). However, they sourced capital goods have been indigenously, hence specific EO shall be 10% less than the EO stipulated as per the Annual Supplement (2013-2014) of FTP 2009-2014. Thus, the firm was supposed to fulfill an export obligation for a total value of Rs.12462341/- (USD 199078.93).

2. The firm further stated that in order to fulfill the prescribed export obligation, they started exporting the goods through third party in may 2018 and made 6 shipments by june 2018, thereby achieving a total FOB value of Rs.9530242/- (USD 144987.65). They are regular suppliers of goods to the exporters and could have very well completed the stipulated export obligation by making few more shipments during that period. However, they were misguided by someone saying that since they have already fulfilled more than 75% of export obligation in half or less than half the original export obligation period specified, remaining export obligation shall be condoned and the Authorization redeemed by the RA as stipulated under Para 5.11 of the FTP.

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 8thyear) on payment of composition fee or imposition of additional export obligation in terms of Para 5.11 of HBP 2009-14 and late fee of Rs. 10,000/-.

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

This has the approval of DG, DGFT.

The Committee further deliberated upon the case and decided to advise the firm to **approach RA** for extension of Export Obligation Period in terms of 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 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.

<u>Case No-87: Agrawal Iron & Industries, Jagdalpur (Chhattisgarh)</u>
F. No. HQREPCGPRAPP00001069AM23

Subject: Request for extension of EOP for two years from date of endorsement i.e. beyond 6+2 years in respect of EPCG Authorization No. 6330000187 dated25.11.2014 under 0% Concessional duty.

The firm has also stated that they have applied for TOR. No allotment of Iron Ore Fines from their primary source NMDC, Bailadila. They are in the process of allotment of Iron ore fines and NMDC is planning to auction the material required by us at a reasonable price. After the allotment, they would be able to export. Moreover, apart from above Industrial issues, there are other problems as well i.e., lack of Infrastructure Support and trained Personnel in Backward (Forest) Areas, additional their Plant is located in Naxalite affected area which is a part of Baster Region, which further leads to Financial Crisis due to delay in the project.

2. As per Amendment sheet issued by RA, Raipur on 27.10.2020, their EOP has been changed from 6 years to 8 years. The firm has mentioned that they have completed Nil EO. Therefore, the firm has requested to extend the EOP for two more years to complete its EO.

Decision: The Committee further deliberated upon the case and decided to advise the firm to **approach RA** for extension of Export Obligation Period from 8 years in terms of Public Notice No. 53/2015-20 dated 20.1.2023 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.

<u>Case No-88: Shalimar Hotel Private Limited, Mumbai</u>
F. No. HQRPRCAPPLY00000098AM24

Subject: Request for 1st Block Extension in respect of EPCG Authorization No. 0330035533 dated 03.04.2013 under 0% Concessional Duty.

The firm has stated that they have maintained the AEO for all the periods. However, they were not able to fulfill the specific export obligation in the 1 st block as per para 5.13 (a) and could achieve only Rs. 1,01,93,256.00 against Rs. 1,80,52,950.00.The firm further stated that they had achieved 100% EO in 7 years. They have paid the composition fees of Rs. 31,627/- towards extension of 1st block EO to cover the specific EO.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 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/-.

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-89: Jain Amar Clothing Private Ltd.</u>
F. No. HQREPCGPRAPP00000384AM23

Subject: Request for Request for re-fixation of average EO in respect of EPCG Authorization No. 3030016648 dated 9.6.2017 under 0% Concessional Duty.

Earlier, the firm vide their representation dated 5.1.2021 stated that they have been issued EPCG license no. 3030016648 dated 9.6.2017. However, at the time of applying for EPCG License by mistake the CA Certificate given by them included total exports of all products of past three years. On realising the mistake they submitted a revised CA Certificate containing the export of previous three years pertaining to the relevant product. RA, Ludhiana has sought clarification in this regard from re-fixation of AEO in their EPCG license. The applicant has also stated that EPCG Committee has given decisions in such cases in its meetings.

2. RA, Ludhiana has stated that the firm desired to impose Average EO as NIL because their export in Embroidery is NIL and they have imported/procured Embroidery machine in EPCG. The request was again examined by the EPCG Committee in its meeting held on 04.05.2022.The decision of the Committee as under:

> *"The firm has stated that at the time of applying for EPCG License by mistake the CA Certificate given by them included total exports of all products of past three years. On realizing the mistake they submitted a revised CA Certificate containing the export of previous three years pertaining to the relevant product. RA, Ludhiana has sought clarification in this regard from re-fixation of AEO in their EPCG license. In this regard, RA, Ludhiana was requested to provide a comprehensive report covering the product-wise break up of AEO fixed along with fresh objections as well comments/recommendations on the submissions made by the applicant in itsapplication for further processing of the application. In response RA, Ludhiana vide letter dated 15.06.2021 submitted a report. In its report, RA, Ludhiana has stated that the firm desired to impose Average EO as NIL because their export in Embroidery is NIL and they have imported/procured Embroidery machine in EPCG. The matter was taken up in EPCG Committee meeting held on 04.08.2021 and it was decided to defer the case for further examination on file.*
>
> *2. In this connection the applicant was requested to submit copy of subject EPCG authorisation, old CA certificate and revised CA certificate mentioning HS codes of the export products. RA report also does not mention HS code of export products. The firm vide letter dated 22.12.2021 has submitted copy of subject EPCG authorisation,*

Appendix 5B(old) and Appendix 5B(new).As per old Appendix 5B submitted the firm has given details of export of same and similar items for the years 2014-15, 2015-16 and 2016-17. Item ITC HS code wise details of export products are not given in the Appendix 5B. The subject EPCG authorisation No. 3030016648 dated 9.6.2017 has been issued for export of following products:

3. In the revised Appendix 5B and statement indicating details of shipping bills submitted by the firm has given export product wise details in respect of Knitted RMG, Woven RMG, Embroidered RMG/Same & Similar and other items but the ITCHS code wise details are not provided. The details of export of same/similar products made during preceding 3 years as in column 10 of ANF5A. The firm has stated that as is evident from the S/Bill statement there is no export of Embroided Readymade garments.

*The Committee deliberated the case at length and observed that there is no merit in the request for re-fixation of average AEO on the grounds cited by the firm. Hence, the committee decided to **reject** the request of the applicant."*

3. The firm has filed a request to review the above decision of the EPCG Committee.

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

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[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. 01/36/218/06/AM-24/EPCG]