

MINUTES OF 10TH MEETING OF AM-23 OF THE EPCG COMMITTEE HELD UNDER THE CHAIRMANSHIP OF SHRI S.B.S. REDDY, ADDITIONAL DIRECTOR GENERAL OF FOREIGN TRADE ON 18.01.2023 AND 20.01.2023

Tenth Meeting for AM-23 of the EPCG Committee was held on 18.01.2023 and 20.01.2023 under the chairmanship of Shri S.B.S. Reddy, Additional Director General of Foreign Trade through Video Conferencing. Following officers attended the meeting:-

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

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

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Case No- 01: D M South India Hospitality Pvt. Ltd. v/s UOI & Others
F. No. 01/36/218/22/AM-22/EPCG

Subject: W.P.(C) 5197/2021 & C.M. Appl. 15972/2021, WP No. 16551 of 2022 in the High Court of Delhi at New Delhi in the matter of M/s. D M South India Hospitality Pvt. Ltd. Versus Union of India & Ors.

Hon'ble Court has passed a final order dated 01.12.2022 in the WP No. 16551 of 2022. The operative portion of the order is reproduced below:-

“..... (i) The representation dated 11th June, 2021 as also the averments made in Writ Petition (C) 5197/2021 and the present writ petition shall be considered comprehensively as one representation of the Petitioner by the DGFT

(ii) Decision shall be taken in the said representation by 31st January, 2023.

(iii) In the meantime, the bank guarantee/s submitted by the Petitioner shall not be invoked without two weeks' advance notice given to the Petitioner on the e-mail address manjul.cs@dmgfi.com and sushen@dmgfi.com.

(iv) If the Petitioner redeems any further EPCGs in the interregnum, the same shall be also brought to the notice of the DGFT.

(v) If the representation of the Petitioner is rejected, the Petitioner would be given four weeks time to avail of its remedies in accordance with law and for the said four week period, the Bank guarantees shall not be invoked....”

2. An opportunity of personal hearing was granted to the petitioner (i.e. DM South India Hospitality Private Limited) before the 9th EPCG Committee in the meeting held on 12.12.2022 and the following decision was taken :-

*“....The Committee heard the submissions of the representative of the petitioner firm. The Committee deliberated upon the case and decided to **defer** it with a direction to the petitioner firm to submit their written submissions. After receipt of written submissions, the matter will be placed for a decision before the Committee.*

3. The petitioner has submitted their written submissions vide email dated 27.12.2022. The petitioner has sought the following reliefs :-

- a. To grant a deemed discharge / waiver of all unfulfilled EOs (EO) for all their EPCG licenses issued / remaining as on March 2020; and
 - b. To grant waiver of any applicable customs duty, compounding / composition fees, and / or any interest accrued or otherwise thereon.
- ii. Furthermore, the Petitioner is also ready and willing to discharge the waived unfulfilled EO for the pending EPCG Authorisations by way of generating GST of an equivalent amount within a period of 8 years as per Form GSTR-3B, to ensure that there is no loss or injury caused to the state.
- iii. In the alternative,
- To issue a notification under Para 5.11.3 of the HBP confirming the automatic extension of the period of EO on all EPCG licenses issued as on 24th March, 2020, till such time that any and all ban or restrictions in relation to regular international tourist travel to India is lifted without payment of any composition / compounding fees for the same or any interest thereon.

And / Or:

- To grant an extension of EO Period under the Petitioner's pending EPCG Authorisations by a period of 8 years, or any reasonable period from the last date of expiry therein without payment of any composition fee or duty for the same or any interest thereon.

And / Or:

- In addition / in the alternative, the Petitioner's EO period under the pending EPCG Authorizations be extended for the duration from 24th March, 2020 till such time that any and all ban or restrictions in relation to regular international tourist travel to India is lifted without payment of any composition fee for the same or any interest thereon.
- In the same vein, 6 authorisations that have already been submitted for redemption may be redeemed and closed without imposing payment of composition fee or interest thereon.

4. The grounds raised by petitioner in support of its request are given below in brief :-

- Out of 58 EPCG authorisations that it had procured, only 17 EPCG authorizations remain to be redeemed. Of the said 17 authorisations, 6 have already been submitted for redemption to the concerned RA. The list of 17 authorisations are given below :-

S. No.	EPCG Authorisation No.	EPCG Concessional Duty Scheme (%)
1	0530149962 dated 01.10.2009	3
2	0530150636 dated 14.12.2009	3
3	0530151878 dated 23.04.2010	3
4	0530151879 dated 23.04.2010	3
5	0530154478 dated 07.01.2011	3
6	0530161965 dated 11.12.2013	0
7	0530161812 dated 11.11.2013	0
8	0530151332 dated 22.02.2010	3
9	0530151638 dated 29.03.2010	3
10	0530151877 dated 23.04.2010	3
11	0530153031 dated 10.08.2010	3
12	0530154479 dated 07.01.2011	3
13	0530152443 dated 14.06.2010	3
14	0530152343 dated 07.06.2010	3
15	0530152711 dated 08.07.2010	3
16	0530149856 dated 18.09.2009	3
17	0530149993 dated 06.10.2009	3

- Since the last hearing that took place on 12.12.2022, petitioner has submitted one additional EPCG authorization for redemption.
- Suspension of international air travel – Government of India on 19.03.2020 suspended international air travel from and into India with effect from 22.03.2020 to 29.03.2020, which was subsequently extended through notifications right until 28.02.2022. As a result of the suspension of international air travel by the Government of India, there have been negligible numbers of foreign guests available at the hotel to provide services to in order to generate foreign exchange revenue. The petitioner was thus left with no opportunity whatsoever to fulfil its EO.
- Suspension of tourist visas - Ministry of Home Affairs vide its memorandum dated 17.04.2020, suspended all existing visas granted to foreigners (except for a few exceptions). By way of its further memorandums, while the MHA lifted the suspensions on a few categories of visas, till date there remains a restriction on tourist e-visas granted to foreigners. As a result, there has been a near total restriction on arrival of foreign tourists in India since March, 2020. Without foreign tourists / guests, the Petitioner is left in a position where it is unable to fulfill the EO under the authorizations.
- Closure of hotels under COVID-19 lockdown measures - On 24.03.2020, a nation-wide lockdown was imposed banning all domestic travel and directing closure of all hotels, which lockdown was extended to 31.05.2020. As a result of the lockdown measures

directing closure of hotels, there was no avenue left for us to generate any income due to low occupancy.

- *Adverse Impact on Hospitality Industry on account of COVID-19*
- *DGFT and the EPCG Committee are empowered to take into consideration any adverse impact on trade and any decline in a particular sector while considering grant of relaxations / relief under the Foreign Trade Policy. In view of the drastic adverse impact to the entirety of the hospitality sector on account of COVID-19, the Petitioner states that the present case ought to be considered for grant of appropriate relaxation and relief in terms of pending EOs that are affected.*

Inability to fulfil EOs on account of Government actions

- *On account of various notifications and memoranda issued by the Government itself, that the Petitioner has been prevented from fulfilling its EO as the Petitioner was left with no avenue to operate its hotel and export the services.*
- *Additionally, Para 5.11.2 of the Handbook of Procedures under the Foreign Trade Policy also recognises that relief ought to be provided to exporters of sectors where exports have seen a decline.*
- *Thus, at present, the entire hospitality industry is in a state of decline and continues to be severely affected by the pandemic even today. Estimates show a possible revival of foreign tourist arrivals only in 2025, at the earliest. Additionally, since the Petitioner is hotel, it is left with no way in which it can export its services to earn foreign revenue unless international visitors and tourists are permitted to arrive in India. The COVID-19 related travel restrictions imposed by the Central Government has practically prevented the Petitioner from even, in theory, being able to fulfil its EOs. Such being the uniqueness of the scenario, it is submitted that the present case is also an appropriate case for grant of relief under Clause 2.5 of the Foreign Trade Policy (2009-14) and Para 5.11.2 of the Handbook of Procedures under the Foreign Trade Policy.*
- *It is re-iterated that the non-fulfilment of our EOs is not on account of any wilful default or negligence, but is completely attributable to events that are wholly beyond the Petitioner's control and government policies in view of the COVID-19 pandemic. As set out above, the entire hospitality industry has been severely affected by the COVID-19 pandemic and is currently reeling in a desperate effort to survive and recover. Several recommendations and requests have been made by various industry bodies, including the Federation of Hotels and Restaurant Associations of India and the Confederation of India Industry for the extension of the EOs Period under the EPCG Scheme. The*

Petitioner is unfortunately left in a position where various government orders and restrictions have made it impossible for it to fulfil its EOs.

- *Further, the Petitioner's conduct would show that it has always acted in a bona fide manner and have made all attempts to successfully fulfil its EO at every possible instance. It has successfully redeemed more than half EPCG Authorisations.*
- *The petitioner will in all earnest fulfil its EO if granted the necessary extension required on account of the impact of the COVID-19 pandemic on the hospitality industry.*

Decision: M/s. D M South India Hospitality Pvt. Ltd. have requested for extension in EO period against the EPCG authorizations referred to in the W.P.(C) 5197/2021 & C.M. Appl. 15972/2021 and WP No. 16551 of 2022 (before Hon'ble High Court of Delhi) due to problems in fulfilling the EO on account of Covid-pandemic. In their presentation during the Personal Hearing, they have cited various grounds in support of their request. Therefore, Committee decided to consider grant of EO extension for a period of two years for the EPCG authorizations affected by Covid-pandemic.

The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 of FTP, 2015-20** to the authorizations issued to the applicant provided, existing Export Obligation period in the authorizations are valid beyond 1.2.2020.

1. For the years 2020-21 and 2021-22, no Average Export Obligation is required to be maintained.
2. Export Obligation (EO) period may be extended from the date of expiry for the duration equivalent to the number of days EO period falls within 01.02.2020 and 31.03.2022. Such extension shall be granted without payment of composition fees. EO extension already granted if any in terms of Public Notice No. 67/2015-20 dated 31.3.2020 and Notification No. 28/2015-20 dated 23.9.2021 shall be deducted from the extendable EO extension period.
3. ii) In case where EPCG authorisation holder has already obtained EO extension on payment of composition fees, the refund of the composition fees will not be permitted. In addition, any penalties, duties and taxes already paid would also not be refunded.

This has the approval of DG, DGFT.

Case No. 2. Kals Breweries Pvt. Ltd., Chennai
F. No. HQREPCGPRAPP00330220AM22

Subject: Request against EPCG Authorization No. 0430010690 dated 04.01.2012 under 03% Concessional duty:

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

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

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

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

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

After deliberation on the request in the 8th EPCG Committee Meeting, the Committee decided to defer the case with the directions to call for documents and events in chronological order from the firm.

The firm vide letter dated 13.12.2022 has submitted documents and events in chronological order for their request of EOP extension as directed by the 8th EPCG Committee in the Meeting held on 15.11.2022. The firm is seeking extension in EO period due to the restrictions imposed by the State Government for a period of seven years commensurate with the period of restriction from the date of their application to the final date of issue of export license quoted earlier from the date of endorsement.

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 fulfilment 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 2nd request and 3rd Request, 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. 3. Kals Breweries Pvt. Ltd., Chennai

F. No. HQREPCGPRAPP00330215AM22

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

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

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

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

The firm vide e-mail dated 04.04.2022 has submitted documentary evidence as per decision of EPCG Committee meeting held on 09.03.2022 in respect of 2nd and 3rd request. The firm has stated that the State Government allowed exports from 25.10.2017 onwards. In this

regard, the firm has submitted copy of Order No. G.O. (Ms.) No. 31 dated 26.10.2017 issued by Home, Prohibition and Excise (III) Department, Chennai wherein *“the government have accepted the proposal of the Commissioner of Prohibition and Excise and decided to amend the said Tamil Nadu Brewery Rules, 1983.”*

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

After deliberation on the request in the 8th EPCG Committee Meeting, the Committee decided to defer the case with the directions to call for documents and events in chronological order from the firm.

The firm vide letter dated 13.12.2022 has submitted documents and events in chronological order for their request of EOP extension as directed by the 8th EPCG Committee in the Meeting held on 15.11.2022. The firm is seeking extension in EO period due to the restrictions imposed by the State Government for a period of seven years commensurate with the period of restriction from the date of their application to the final date of issue of export license quoted earlier from the date of endorsement.

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 fulfilment 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 2nd request and 3rd Request, 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. 4. Kals Breweries Pvt. Ltd., Chennai

F. No. HQREPCGPRAPP00330216AM22

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

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

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

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

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

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

After deliberation on the request in the 8th EPCG Committee Meeting, the Committee decided to defer the case with the directions to call for documents and events in chronological order from the firm.

The firm vide letter dated 13.12.2022 has submitted documents and events in chronological order for their request of EOP extension as directed by the 8th EPCG Committee in the Meeting held on 15.11.2022. The firm is seeking extension in EO period due to the restrictions imposed by the State Government for a period of seven years commensurate with the period of restriction from the date of their application to the final date of issue of export license quoted earlier from the date of endorsement.

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 fulfilment 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 2nd request and 3rd Request, 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. 5. Kals Breweries Pvt. Ltd., Chennai **F. No. HQREPCGPRAPP00330217AM22**

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

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

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

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

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

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

After deliberation on the request in the 8th EPCG Committee Meeting, the Committee decided to defer the case with the directions to call for documents and events in chronological order from the firm.

The firm vide letter dated 13.12.2022 has submitted documents and events in chronological order for their request of EOP extension as directed by the 8th EPCG Committee in the Meeting held on 15.11.2022. The firm is seeking extension in EO period due to the restrictions imposed by the State Government for a period of seven years commensurate with the period of restriction from the date of their application to the final date of issue of export license quoted earlier from the date of endorsement.

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 fulfilment 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 2nd request and 3rd Request, 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. 6. Kals Breweries Pvt. Ltd., Chennai
F. No. HQREPCGPRAPP00330219AM22

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

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

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

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

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

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

After deliberation on the request in the 8th EPCG Committee Meeting, the Committee decided to defer the case with the directions to call for documents and events in chronological order from the firm.

The firm vide letter dated 13.12.2022 has submitted documents and events in chronological order for their request of EOP extension as directed by the 8th EPCG Committee in the Meeting held on 15.11.2022. The firm is seeking extension in EO period due to the

restrictions imposed by the State Government for a period of seven years commensurate with the period of restriction from the date of their application to the final date of issue of export license quoted earlier from the date of endorsement.

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 fulfilment 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 2nd request and 3rd Request, 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. 7. Kals Breweries Pvt. Ltd., Chennai
F. No. HQREPCGPRAPP00330079AM22

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

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

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

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

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

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

After deliberation on the request in the 8th EPCG Committee Meeting, the Committee decided to defer the case with the directions to call for documents and events in chronological order from the firm.

The firm vide letter dated 13.12.2022 has submitted documents and events in chronological order for their request of EOP extension as directed by the 8th EPCG Committee in the Meeting held on 15.11.2022. The firm is seeking extension in EO period due to the restrictions imposed by the State Government for a period of seven years commensurate with the period of restriction from the date of their application to the final date of issue of export license quoted earlier from the date of endorsement.

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 fulfilment 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 2nd request and 3rd Request, 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. 8. Kals Breweries Pvt. Ltd., Chennai
F. No. HQREPCGPRAPP00330234AM22

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

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

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

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

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

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

After deliberation on the request in the 8th EPCG Committee Meeting, the Committee decided to defer the case with the directions to call for documents and events in chronological order from the firm.

The firm vide letter dated 13.12.2022 has submitted documents and events in chronological order for their request of EOP extension as directed by the 8th EPCG Committee in the Meeting held on 15.11.2022. The firm is seeking extension in EO period due to the restrictions imposed by the State Government for a period of seven years commensurate with the period of restriction from the date of their application to the final date of issue of export license quoted earlier from the date of endorsement.

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 fulfilment 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 2nd request and 3rd Request, committee considered the request of the applicant and noted that the applicant has not submitted any cogent reason/justification or any genuine hardship faced by them in support of request and therefore decided to reject their request.

Case No. 9. Kals Breweries Pvt. Ltd., Chennai
F. No. HQREPCGPRAPP00330218AM22

Subject: Request against EPCG Authorization No. 0430010330 dated 23.09.2011 under 03% Concessional duty:

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

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

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

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

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

After deliberation on the request in the 8th EPCG Committee Meeting, the Committee decided to defer the case with the directions to call for documents and events in chronological order from the firm.

The firm vide letter dated 13.12.2022 has submitted documents and events in chronological order for their request of EOP extension as directed by the 8th EPCG Committee in the Meeting held on 15.11.2022. The firm is seeking extension in EO period due to the restrictions imposed by the State Government for a period of seven years commensurate with the period of restriction from the date of their application to the final date of issue of export license quoted earlier from the date of endorsement.

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 fulfilment 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 2nd request and 3rd Request, 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- 10: RSB India Ltd., Bhiwadi, Rajasthan
F. No. 01/37/218/197/AM-19/EPCG-II

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

The firm's contention is that the Capital Goods are obsolete and cannot be installed. They are lying at their Howrah unit and their presence has been confirmed by CGST & Central Excise Range-III, Uluberia Division, Howrah. They cannot produce the installation certificate as directed by RA, Kolkata due to the condition of CGs. Relaxation has been sought by the firm in this regard. However the installation certificate of CGs at Bhiwadi unit has been submitted by them.

The case was last considered in the 5th EPCG Committee Meeting of AM-23 held on 08.07.2022 wherein the Committee deliberated upon the case and decided to defer it with the directions to call for a report from RA concerned, whether AEO has been correctly imposed while endorsing group company name in the authorization for fulfillment of EO.

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- 11: Karo Coils Pvt. Ltd., Delhi
F. No. 01/36/218/07/AM-22/EPCG

Subject: Request for extension of EOP for two years i.e. **from 8 years to 10 years** in respect of EPCG Authorization No. 0530159193 dated 04.09.2012 under 0% Concessional duty.

The firm has stated that they are manufacturing Coil Springs for various applications since 2013 in their manufacturing facility located in Kahrani, Distt. Alwar Rajasthan and registered with EPCG, New Delhi. The firm has also stated that they have had a series of poor experiences while setting up the manufacturing facility leading to their inability to start exports. A brief description of such incidents is given below:

- i. Difficulty in arranging the term loan leading to a delay in bring up the factory shed which was finally sanctioned on 20.03.2012.
- ii. The machine imported against EPCG Authorisation was cleared through customs in October, 2012.
- iii. In order to sell the products manufactured the factory required TS certification which could be obtained only after experience of one year therefore the company was doing only job work in the first year of its working.
- iv. The production was commenced on 20.04.2013. After obtaining the TS certificate sales commenced only from 31.03.2014 onwards.
- v. The company was incurring losses and was struggling for its survival. The first year of break-even was achieved in FY 2018-19. It was then company started exploring the exports market however the auto market crashed in July 2019 and the sales went down again in FY 2019-20.
- vi. Immediately thereafter the COVID -19 pandemic struck the world including India and lock-down was announced. The Company was shut down till October 2020, and revived the production in the month of November 2020.

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

Case No- 12: Swan Energy Ltd. (SEL), Gujarat
F. No. HQRPRCAPPLY00122391AM22

Subject: Request for **EOP Extension till 31.12.2023** for EPCG License No. 0330025407 dated 08.03.2010 including complete relaxation on late penalty under 03% Concessional Duty.

Swan Energy Ltd. (SEL), Gujarat vide application dated 23.06.2021 has requested for EOP Extension till 31.12.2023 for their EPCG Authorization No. 330025407 dated 08.03.2010 under 03% Concessional Duty. The firm is stating that India's export of textiles and clothing were severely affected by trade conflicts, geopolitical tensions, slowdown of trade growth in 2018 due to new tariffs and retaliatory measures along with volatility in financial markets and stringent monetary conditions, sharp decline in yarn exports, cheaper imports, state and central taxes on export and high interest rates in Indian Textile Market. Further issues listed were volatility in cotton prices and currency values, piling up stocks and production cut, severe liquidity crunch and government arrears etc., effects of Covid-19 on India's export market

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

Again the matter was considered in 8th Meeting of AM-23 of the EPCG Committee held on 15.11.2022 and decided to defer it with the request that Department of Revenue will furnish the present status of investigation which was instituted by the DRI.

A reply has been received from DRI vide email dated 16.12.2022

Decision: The Committee deliberated upon the case and decided to defer it with directions to refer the case to Department of Revenue (Drawback Division) for their comments.

Case No- 13: Vetrivel Explosives Private Limited, Salem, Tamil Nadu (formerly known as Sivasakthi Hotels Private Limited)

F. No. HQRPRCAPPLY00390097AM22

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

The firm (M/s Vetrivel Explosives Pvt. Ltd. formerly in the name of M/s Sivasakhi Hotels Pvt. Ltd, amalgamated against the order of High Court of Madras) has stated that M/s Sivasakhi Hotels Pvt. Ltd. had obtained EPCG Authorization No. 3230016349 dated 19.02.2011. The firm further stated that they were unable to fulfill EO 100% against the authorization within stipulated time period due to Covid-19 pandemic as they earn foreign exchange only by providing hotel services to foreigners. The firm has also furnished following details:-

<i>Particulars</i>	<i>EOP ending on</i>
8 years EOP for subject license ending on	18.02.2019
EOP Extension availed from RA from 8 th – 10 th Year for subject authorization (<i>amendment sheet attached</i>)	17.02.2021
Automatic EOP Extension due to DGFT Public Notice 67 dated 31.3.2020 and Notification No. 28 dated 23.09.2021	31.12.2021
Request of the firm for another 2 years extension ending on	31.12.2023

Decision: The Committee deliberated upon the case and decided to advise the applicant to approach RA interms of Public Notice No-53 dated 201.2023 for extension of Export Obligation period.

Case No- 14: Vetrivel Explosives Private Limited, Salem, Tamil Nadu

F.No. HQREPCGPRAPP00000501AM23

Subject: Request for EOP Extension for 2 years up to 30.12.2023 in respect of EPCG Authorization No. 3230017202 dated 21.09.2011 under 03% Concessional Duty.

The firm (M/s Vetrivel Explosives Pvt. Ltd. formerly in the name of M/s Sivasakhi Hotels Pvt. Ltd, amalgamated against the High Court of Madras Order) has stated that M/s Sivasakhi Hotels Pvt. Ltd. had obtained 12 EPCG Authorizations and were able to fulfill EO 100% in stipulated time period for 10 respective Authorizations and receive EODC for the same. Out of the remaining 2 Authorizations, the firm has requested for EOP Extension for 2 years for Authorization No. 3230017202 dated 21.09.2011. The firm further stated that they were unable to

fulfill 100% EO within stimulated time period due to Covid-19 pandemic as they earn foreign exchange only by providing hotel services to foreigners and the pandemic prevented foreigners coming to India and staying at their Hotel. The firm has furnished relevant following details.

<i>Particulars</i>	<i>EOP ending on</i>
8 years EOP for subject license ending on	21.09.2019
EOP Extension availed from RA Coimbatore on payment of composition fees	03.02.2020
Automatic EOP Extension vide DGFT Public Notice No. 67/2015-2020 dated 31.03.2022 and Notification No. 28/2015-2020 dated 23.09.2021	31.12.2021
Request of the firm for another 2 years extension from 31.12.2021 ending on	30.12.2023

Decision: The Committee deliberated upon the case and decided to advise the applicant to approach RA interms of Public Notice No-53 dated 201.2023 for extension of Export Obligation period.

Case No- 15: R G International, Ludhiana

F. No. HQRPRCAPPLY00002056AM23

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

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

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

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

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

Case No- 16: Microns India, Haryana
F. No. HQRPRCAPPLY00224764AM22

Subject: Request for-

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

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

The firm has submitted the following :-

- i. The firm has stated that they had shifted their company which was on rent to their own business premises along with plant and machinery. The firm further stated that they had made amendments in IEC regarding change of address but due to oversight they did not make amendments in EPCG license.
- ii. The firm stated that they had made supply to 100% EOU through ARE-3 covered under deemed export and some supply made through direct export but due to lack of knowledge had not mentioned the EPCG authorization No. on Shipping Bill in case of direct export and ARE-3 in case of Deemed Export. The firm further stated that they had not considered the above said shipping Bill and ARE-3 against any other EPCG authorization and are liable to pay any government dues. As per Installation Certificate issued by Central Excise dated 12.01.2016, machinery was installed on 07.12.2010 with BOE No. 824839 dated 17.03.2005 and 719721 dated 14.10.2009.

Decision: 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- 17: Madura Industries Textile Ltd (MITL), Mumbai
F. No. HQRPECGPRAPP00000536AM23

Subject: Request for transfer of EPCG Authorization from M/s. Madura Industries Textile Limited (IEC No. 0303023961) to M/s. Madura Technical Fabrics Limited (IEC No. AAPCM7013F) in respect of 7 EPCG Authorizations - 0331009586 dated 17.12.2021, 0331010647 dated 18.01.2022, 0331011000 dated 01.02.2022, 0331011288 dated 10.02.2022, 0331014222 dated 27.04.2022, 0331015503 dated 15.06.2022 and 0331018053 dated 21.09.2022-reg.

M/s. Madura Industrial Textile Limited (MITL) has stated that is into industrial fabrics for tyre, conveyor belt and mechanical rubber goods industry for more than 11 years. MITL also produces its own Nylon 6 polymers and Nylon 6 yarns to support its own production. Applicant has also stated that they are focusing on manufacturing and exporting Nylon 6 fabrics to support their production. Now they are diversifying and starting with the export of Nylon

66/Spinning, Fabric and PETHLMS, which is completely unique to the Indian market. In its application, the Applicant has declared the following points:

- i. There will be no change in AEO.
- ii. Capital Goods will not be physically transferred and continue to be remained in same premises which is mentioned on license.
- iii. Madura Technical Fabrics Limited will register / execute necessary Bonds/BG with custom authority and Madura Technical Fabrics Limited will comply with all other conditions of EPCG.
- iv. They have not exported any products against this license till today.
- v. Madura Technical Fabrics Limited will fulfil all the EO of Madura Industrial Textile Limited for same and similar products.

Applicant has informed that the CGs have not yet been installed and are lying in the same factory premises as mentioned in the licences.

Decision: The Committee deliberated upon the case and decided to **recommend to DG for relaxation under Para 2.58 of FTP, 2015-20** to accept transfer of the EPCG authorizations to M/s. Madura Technical Fabrics Limited subject to the following conditions:

- (i) Average EO (AEO), shall be re-fixed by adding AEO (if any) of M/s. Madura Technical Fabrics Limited for same and similar products on date of acquisition to the existing AEO.
- (ii) M/s. Madura Technical Fabrics Limited shall complete necessary Bond formalities as may be applicable with Customs Authorities for fulfillment of EO.

This has the approval of DG, DGFT.

Case No- 18: Shiv Shakti Embroideries Pvt. Ltd, Gurugram
F. No. HQRPRCAPPLY00104144AM22

Subject: Request for Re-Fixation of Average EO from Rs. 30596354.0 to Rs. 0.00 for redemption purpose in respect of EPCG Authorization No. 0530163803 dated 25.11.2014 under 0% Concessional Duty.

The firm has stated that from the date of establishment of the company they have not made any Direct Exports till date, so the export figures are not mentioned in the Balance Sheet for the F/Y 2011-2012, 2012-2013 & 2013-2014. The firm further stated that at the time of issuance of above mentioned EPCG Authorization , inadvertently the Chartered Accountant has taken indirect export sale figures in Appendix-26 from the third party exporter shipping Bills, which all the EPCG License has been redeemed by the LA through third party exports made by them. The firm stated that the export figures showing in Appendix-26 are not mentioned in Balance Sheet (F/Y 2011, 2012, 2013), because these figures have been taken by C.A. from third party exporter Shipping Bills.

Hence the firm stated that in view of the above submission the Average EO is not applicable and requested for re-fixation of Average EO From Rs. 3,05,96,354 to Rs. 0.00 (Nil) as they have already submitted the redemption application to CLA, New Delhi for EODC.

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

Case No- 19: Class India Pvt. Ltd., Ropar (Punjab)
F. No. HQREPCGPRAPP00363931AM22

Subject: Request for Re-fixation of AEO under EPCG scheme due to De-merger of an entity into two separate entities in respect of EPCG Authorization No. 2230002599 dated 16.09.2015 under 0% concessional duty-reg.

The firm has stated that while submitting the export data, the Company mistakenly included the export of spare parts of machines. However, the EPCG authorization was only obtained for 'Combine Harvesters'. The firm has stated that the ambit of 'same or similar product', which is a condition under the Authorization, cannot be stretched to include spare parts as a similar product to that of a Combine Harvester, the firm has stated that the correct average AEO in their case should be Rs. 23,41,37,311/- instead of Rs. 31,33,24,371/-. The firm has further stated that on 01.10.2014, the company demerged its operations and got split into two individual specialized entities viz. CLAAS India Pvt. Ltd. and CLAAS Agricultural Machinery Pvt. Ltd. ('New Entity').

It is further stated out by the applicant that since the AEO was fixed on a consolidated level, the AEO fulfillment must also be considered on a consolidated level of both the entities. It is also pointed out by the firm that as per Para 5.09 of the FTP 2015-20 in case where Authorization holder has fulfilled 75 percent or more of SEO and 100 % of AEO in half or less than half the original EO period specified, remaining EO shall be condoned, and the Authorization redeemed by RA concerned. Their case also falls in this category. The firm has also requested that the Committee may consider re-fixation of AEO in proportion to future exports made by the New Entity. It is informed that the Company has fulfilled the AEO in the first year had the demerger not happened.

It is stated by the firm that 'Combine Harvester' is a product 'relating to agriculture' and thus AEO shall be NIL as per Para 5.13 of HBP 2015-20 which provides exemption from maintaining AEO to Agriculture products. The firm has stated that 'Combine Harvester' can only be used in harvesting (including gathering) the crops. It has no other use whatsoever.

In view of the above submissions, the firm has requested that:

- i. The AEO may be re-fixed to exclude the exports of spare parts; and
- ii. The consolidated exports of 'Combine Harvester' by CIPL and New Entity be taken for computing the obligation toward AEO; or
- iii. The AEO may be re-fixed to reduce the obligation in proportion to the future exports of 'Combine Harvesters' both the entities; or
- iv. The 'Combine Harvester' be considered as a product 'relating to agriculture'

Decision: On examination of documents it is seen that the de-merger of the firm was done on 01.10.2014, while the EPCG Authorization was issued on 16.09.2015 i.e. before the issue of EPCG Authorization. However, the firm is requesting for re-fixation of AEO on grounds of de-merger. The contention of the firm that Combine Harvester relates to agriculture and no AEO should be fixed. Committee of the view that Combine Harvester is not an agricultural produce, and it is a Capital Good.

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

Case No- 20: Harimohan Agro Industries, Jalgoan
F. No. HQREPCGPRAPP00173556AM22

Subject: Request for:

- i. Extension of EOP in terms of provisions of Para 5.11.03 of HBP 2004-09
- ii. Amendment in export products and inclusion of export products
- iii. Deletion of their name from defaulter list

In respect of EPCG Authorization No.0330000867 dated 01.02.2001 under 5% Concessional Duty.

The applicant has stated that Extension of EO as export of product processed pulses was banned for export during the period 27.06.2006 to 15.09.2017. Now, this year there is good crop in their area and they are in a position to export and earn the FE at this stage required by our country. They approached RA for extension of EO and amendment/addition of specific export product as per original application and with proper ITC(HS) codes as per current Customs online application requirements. However, RA has asked them to approach DGFT HQ for condonation.

The applicant has submitted that while submitting application in 2001 although there was no provision for submission for Chartered Engineer's certificate on insistence of RA office they submitted C.E. Certificate. Further, they are submitting copy of catalogues of the machinery showing that said machine is only for beans and pulses and not meant for rice or cereals. This machine is very old of 2001 model and being old technology rice cannot be processed with this machine.

Decision: The Committee observed that, export item include Non Basmati rice. Further there were some pulses where no restriction was available. On restricted items too, there were quotas which party could have availed. Therefore after considering the case carefully, committee is of the opinion that there is no cogent reason/justification in support of any genuine hardship faced by them. Accordingly, the Committee decided to **reject** the request.

Case No- 21: Alpine Apparels Private Limited, Faridabad
F. No. HQREPCGPRAPP00387538AM22

Subject: Request for Condonation of Delay in submission of Installation Certificate issued by Chartered Engineer in respect of EPCG Authorization No. 0530170612 dated 21.06.2017 under 0% Concessional Duty.

The firm has stated that the installation certificate for the said authorization was issued within prescribed time limit but unfortunately was not submitted to CLA New Delhi due to lack of knowledge of policy provisions.

The firm further stated that they were under knowledge that Installation Certificate is required at the time of submitting the redemption documents and hence submitted the Installation Certificate along with redemption application to CLA, New Delhi. As per Installation Certificate dated 30.03.2018 issued by Chartered Engineer enclosed by the firm, machinery was installed at the firm's premises on 26.03.2018 with BOE No. 5702448 dated 23.03.2018.

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

Case No- 22: Alpine Apparels Private Limited, Faridabad
F. No. HQREPCGPRAPP00387513AM22

Subject: Request for Condonation of Delay in submission of Installation Certificate issued by Chartered Engineer in respect of EPCG Authorization No. 0530172519 dated 26.06.2018 under 0% Concessional Duty.

Alpine Apparels Private Limited, Faridabad vide application dated 15.03.2022 has requested for Condonation of Delay in submission of Installation Certificate issued by Chartered Engineer in respect of EPCG Authorization No. 0530172519 dated 26.06.2018 under 0% Concessional duty.

The firm has stated that the installation certificate for the said authorization was issued within prescribed time limit but unfortunately was not submitted to CLA New Delhi due to lack of knowledge of policy provisions. The firm further stated that they were under knowledge that Installation Certificate is required at the time of submitting the redemption documents and hence submitted the Installation Certificate along with redemption application to CLA New Delhi. As per Installation Certificate dated 16.10.2018 issued by Chartered Engineer.

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- 23: Alpine Apparels Private Limited, Faridabad

F. No. HQREPCGPRAPP00401772AM22

Subject: Request for condonation for late submission of Installation certificate issued by Chartered Engineer against EPCG Authorization No. 0530172754 dated 03.08.2018 under 0% Concessional duty.

Alpine Apparels Private Limited, Faridabad vide application dated 25.03.2022 has requested for condonation for late submission of installation certificates against EPCG Authorization No. 0530172754 dated 03.08.2018 under 0% Concessional duty. As per Installation certificate issued by Chartered Engineer on 27.09.2018, CGs were imported on 03.08.2018 and installed at the premises place on 12.09.2018.

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- 24: Alpine Apparels Private Limited, Faridabad

F. No. HQREPCGPRAPP00363640AM22

Subject: Request for condonation for late submission of Installation certificate issued by Chartered Engineer on 11.06.2021 against EPCG Authorization No. 0530173861 dated 04.02.2019 under 0% Concessional duty - reg.

The firm has stated that they had obtained the authorization on 04.02.2019 and their import was completed on 30.04.2019. As per Para 5.04 the same was supposed to be submitted on or before 30.10.2020. But they could not submit the installation certificate within the stipulated time due to the lockdown situation, although the conditions were getting back to normal, their priority was to meet their export commitments and this was inadvertently delayed. Accordingly, they had submitted all the documents along with installation certificate for redemption to the CLA, New Delhi. CLA, New Delhi vide D/ L dated 09.07.2021 has conveyed them as under:

“You have made last import on 15.01.2020 and submitted the installation certificate on 11.06.2021 i.e. beyond the prescribed period of time (including paid penalty of 12 months) i.e. 18 months in mentioned in Para 5.04 HBP. You are advised to approach DGFT for condonation.”

As per Installation certificate issued by Chartered Engineer on 10.05.2019, CG was imported on 01.03.2019, 13.03.2019, 23.04.2019 & 30.04.2019 and installed at the premises place on 28.03.2019 & 05.05.2019.

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- 25: G.G. Fashions, Salem (Tamil Nadu)
F. No. HQREPCGPRAPP00409571AM22

Subject: Request for Extension of EOP from 01.07.2018 up to 01.07.2023 in respect of EPCG Authorization No. 3230015140 dated 02.07.2010 under 03% Concessional duty.

G.G. Fashions, Salem (Tamil Nadu) vide application dated 07.10.2022 has requested for Extension of EOP from 01.07.2018 up to 01.07.2023 in respect of EPCG Authorization No. 3230015140 dated 02.07.2010 under 03% Concessional duty.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 of FTP 2015-20** to allow extension in EOP from 8th to 10th year on payment of composition fee or imposition of additional export obligation in terms of para 5.11 of HBP (2009-14) and late fee of Rs. 10,000/-. Thereafter, they can also take extension granted on account of COVID in terms of Public Notice -67 dated 31.3.2020 and Notification No-27 dated 23.9.2022 upto 31.12.2021.

The above relaxation is also subject to a condition that first block EO is fulfilled or extension is already taken and proper installation certificate has been submitted within time limits as specified in FTP/HBP.

This has the approval of DG, DGFT.

Case No- 26: Eastern Healthcare
F. No. HQREPCGPRAPP00353146AM22

Subject: Request for condonation of non-mentioning of EPCG Authorization details on 3rd party Shipping Bills against EPCG Authorization No. 0530160086 dated 31.12.2012 under 03% Concessional Duty.

Applicant has stated that they have fulfilled 200% EO within the stipulated time period i.e. 8 years and filed the application to CLA, New Delhi for issuance of EODC. The Applicant has further stated that they have fulfilled EO through 3rd party i.e. M/s. Izek Healthcare Pvt. Limited. Therefore, the Applicant submitted additional documents to CLA, New Delhi in terms of Para 5.10 of HBP of 2015-20 for issuance of EODC. The additional documents submitted by them as per Para 5.10 of HBP of FTP 2015-20 as EO fulfilled through third party exports (i.e. M/s. Izek Healthcare Pvt. Ltd):

- i. A Copy of agreement with third party (i.e. M/s. Izek Healthcare Pvt. Ltd).
- ii. Copy of Invoice i.e. Proof of having dispatched the goods from our factory premises to M/s. Izek Healthcare Pvt. Ltd.
- iii. Copy of Lorry receipt as evidence of transportation of goods from their premises to M/s. Izek Healthcare Pvt. Ltd.
- iv. Undertaking from M/s. Izek Healthcare Pvt. Ltd, on stamp paper, declaring that the products exported for fulfilment of EO by them on behalf of firm as per details given in the statement of exports, were manufactured by Eastern Healthcare only.

- v. Proof of payment received M/s. Izek Healthcare Pvt. Ltd. i.e. financial evidence for having received proceeds through normal banking channel.
- vi. Disclaimer certificate form M/s. Izek Healthcare Pvt. Ltd that they shall not use such proceeds towards EO fulfillment of any EPCG authorization (s) obtained.

However, CLA, New Delhi has not acceded their request and advised them to approach EPCG committee and stating that “All the shipping bills (pertain to Third Party Export) not having EPCG Authorization number, date and name of Authorization holder hence, export not considered for fulfillment of EO and also Policy Circular No. 7/2002 is not applicable on Third party 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- 27: M-Tech Innovations Limited, Pune

F. No. HQREPCGPRAPP00000471AM23

Subject: Request for extension of 1st Block in respect of EPCG Authorization No. 3130003390 dated 26.08.2008 under 03% Concessional duty.

The firm has stated that they have obtained the subject license with duty saved amount of Rs. 42,56,586/- with EO \$ 800,298.34/-. The firm has also stated that they have fulfilled the EO and have realized the proceeds as well within extended EOP against EPCG Authorization. However, due to sharp international competition and frequent change in technology combined with other several reasons beyond their control, they could not complete the block-wise 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 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/-.

- The above relaxation is also subject to the following conditions :-
- The proper installation certificate has been submitted within time limits as specified, and

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

This has the approval of DG, DGFT.

Case No- 28: Arora Vinyl Pvt. Ltd., New Delhi

F. No. HQREPCGPRAPP00144816AM22

Subject: Request for Regularization of excess duty credit utilized within 10% on EPCG License No. 0530168753 dated 07.10.2016 under 0% Concessional duty.

The applicant has stated that at the time of import they have utilized excess duty saved value which is less than 10% permitted as Para 5.16 (a) of HBP. However, there was a delay in the payment of differential fees due to a lack of knowledge. The firm has stated that they applied for EODC to CLA, New Delhi after completion of EO proportionate to duty save value utilized. CLA, New Delhi issued D/L dated 17.11.2020 informed that approached as per Public Notice No. 22/2015- 20 dated 31.07.2019.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 of FTP 2015-20** for condonation of procedural lapse of delay of more than a month in payment of fee for excess duty saved amount as envisaged in the Para 5.16(a) of HBP 2015-20, subject to payment of composition fee of Rs. 5000/- and to the condition that the excess utilization is not more than 10% of duty saved mentioned in the subject EPCG authorization.

This has the approval of DG, DGFT.

Case No- 29: Bharat Heavy Electricals Limited (BHEL) , Hyderabad

F. No. HQRPRCAPPLY00003322AM23

Subject: Relaxation for shortfall in Annual Average EO (AEO) in respect of EPCG Authorization Nos. 0930008219 dated 16.05.2012, 0930008372 dated 12.07.2012, 0930009642 dated 17.09.2013, 0930010090 dated 03.03.2014 and 0930010165 dated 28.03.2014 under 0% concessional duty and 0930008689 dated 23.10.2012 under 03% Concessional duty.

The firm has stated that they had obtained EPCG authorizations for capital equipment from the RA, Hyderabad as per the provisions of FTP 2004-09 & 2009-14. These capital additions were acquired for meeting the manufacturing requirements of existing orders and anticipated orders of Power and Industry sector projects. The firm has also stated that at the time of issue of EPCG Authorizations, RA, Hyderabad had fixed the Annual Average EO (AEO) as average of the previous three year's exports (deemed and physical exports together), and to be maintained for the period until the Specific EO (SEO) is achieved.

The firm has further stated that as per FTP 2009-14, the Export proceeds realized through deemed exports and physical exports under advance authorizations are only considered for discharge of EO. Since BHEL Hyderabad was expecting many power and refinery project orders, which are eligible for deemed exports benefits the same were considered, while applying for various EPCG licenses so as to achieve the EO. However, as per Ministry of Finance Notification No. 49/2012, Dated 10.09.2012, deemed export benefits were withdrawn for all power projects other than the listed 112 Mega Power projects, which lead to non-achievement of EO through normal power/ refinery projects.

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- 30: Bharat Heavy Electricals Limited, New Delhi

F. No. HQREPCGPRAPP00000343AM23

Subject: Request for Re-fixation of AEO on basis of physical export figures only in respect of 4 EPCG Authorization nos. 1130002639 dated 03.12.2013, 1130002743 dated 02.12.2014, 1130002762 dated 06.02.2015 and 1130002814 dated 09.10.2015 under 0% Concessional Duty.

BHEL. Bhopal has obtained above mentioned EPCG Authorizations wherein EOP has expired and are due for discharge. The firm further stated that while applying for EODC it was found out that inadvertently whole export turnover including physical and deemed export was declared for fixing Average EO (AEO) at the time of obtaining the authorizations. The firm further mentioned that as per FTP 2015-20, 5.04 (e) 'Export shall be physical export. However, supplies as specified in paragraph 7.02(a), (b), (e), (f) & (g) of FTP shall be counted towards fulfillment of EO, along with usual benefits available under paragraph 7.03 of FTP'. Same clause existed in previous policy of FTP 2009-14 under Chapter 5- 5.05 (iv). The firm stated that for determining AEO only physical exports shall be counted and deemed export figure ought not to be included because due to inclusion of deemed export, Average EO has inflated.

The firm further stated that while submitting EODC application they requested for re-fixation of Average EO on basis of physical export figures only. However, RA Bhopal did not concur to the same and has issued deficiency letter stating that Average EO has been correctly fixed.

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

Case No- 31: Yatri Vihar Hospitality Private Limited, Patna

F. No. HQREPCGPRAPP00000367AM23

Subject: Request for:

- i. 1st Block Extension
- ii. 2 years EOP Extension i.e. 6+2 years

In respect of EPCG Authorization No. 2130000204 dated 05.12.2014 under 0% Concessional Duty.

As per ANF-2D, the firm has stated that they could not fulfill their 100% EO in stipulated time period due to Covid-19 pandemic in last two years and lack of tourist activities. The firm further mentioned that they would be able to fulfill the EO within extended 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:-

(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 subjected to the condition that the proper installation certificate has been submitted within time limits as specified in FTP/HBP. Committee also decided to advise the applicant to obtain extension of EO period, if they desire, in addition to above terms of Public Notice No-53 dated 20.1.2023.

This has the approval of DG, DGFT.

Case No- 32: Yatri Vihar Hospitality Private Limited, Patna

F. No. HQREPCGPRAPP00000371AM23

Subject: Request for:

- i. 1st Block Extension
- ii. 2 years EOP Extension i.e. 6+2 years

In respect of EPCG Authorization No. 2130000210 dated 30.01.2015 under 0% Concessional Duty.

As per ANF-2D, the firm has stated that they could not fulfill their 100% EO in stipulated time period due to Covid-19 pandemic in last two years and lack of tourist activities. The firm further mentioned that they would be able to fulfill the EO within extended 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:-

(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 subjected to the condition that the proper installation certificate has been submitted within time limits as specified in FTP/HBP. Committee also decided to advise the applicant to obtain extension of EO period, if they desire, in addition to above terms of Public Notice No-53 dated 20.1.2023.

This has the approval of DG, DGFT.

Case No- 33: Yatri Vihar Hospitality Private Limited, Patna

F. No. HQREPCGPRAPP00000370AM23

Subject: Request for:

- i. 1st Block Extension
- ii. 2 years EOP Extension i.e. 6+2 years

In respect of EPCG Authorization No. 2130000207 dated 06.01.2015 under 0% Concessional Duty.

As per ANF-2D, the firm has stated that they could not fulfill their 100% EO in stipulated time period due to Covid-19 pandemic in last two years and lack of tourist activities. The firm further mentioned that they would be able to fulfill the EO within extended 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:-

(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 subjected to the condition that the proper installation certificate has been submitted within time limits as specified in FTP/HBP. Committee also decided to advise the applicant to obtain extension of EO period, if they desire, in addition to above terms of Public Notice No-53 dated 20.1.2023.

This has the approval of DG, DGFT.

Case No- 34: Yatri Vihar Hospitality Private Limited, Patna

F. No. HQREPCGPRAPP00000369AM23

Subject: Request for:

- i. 1st Block Extension
- ii. 2 years EOP Extension i.e. 6+2 years

In respect of EPCG Authorization No. 2130000203 dated 05.12.2014 under 0% Concessional Duty.

As per ANF-2D, the firm has stated that they could not fulfill their 100% EO in stipulated time period due to Covid-19 pandemic in last two years and lack of tourist activities. The firm further mentioned that they would be able to fulfill the EO within extended 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:-

(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 subjected to the condition that the proper installation certificate has been submitted within time limits as specified in FTP/HBP. Committee also decided to advise the applicant to obtain extension of EO period, if they desire, in addition to above terms of Public Notice No-53 dated 20.1.2023.

This has the approval of DG, DGFT.

Case No- 35: Wonjin Autoparts India Private Limited, Tamil Nadu

F. No. HQREPCGPRAPP00000366AM23

Subject: Request for EOP Extension beyond 6+2 years for redemption purpose in respect of EPCG Authorization No. 0430010100 dated 22.07.2011 under 0% Concessional Duty.

The firm has stated that they couldn't fulfill their average EO 100% in stipulated time because of union problem which led to lack of production. The firm has further stated that they have not availed 6+2 years of extension which could have been extended up to 22.07.2019. The firm mentioned that they have fulfilled EO in 9th year (outside EOP of 8 years) and achieved exports which cover EO and overall maintenance of Annual Average in full within the 9th year. The firm mentioned that the last date of shipment was 10.06.2020. The firm has requested for accounting the shipments they made during the 9th year for EO and Annual Average for issuance of EODC.

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: Wonjin Autoparts India Private Limited, Tamil Nadu

F. No. HQREPCGPRAPP00000403AM23

Subject: Request for EOP Extension beyond 6+2 years for redemption purpose in respect of EPCG Authorization No. 0430010179 dated 12.08.2011 under 0% Concessional Duty.

The firm has stated that they couldn't fulfill their average EO 100% in stipulated time because of union problem which led to lack of production. The firm has further stated that they have not availed 6+2 years of extension which could have been extended up to 12.08.2011. The firm mentioned that they have fulfilled EO in 9th year (outside EOP of 8 years) and achieved exports which cover EO and overall maintenance of Annual Average in full within the 9th year. The firm mentioned that the last date of shipment was 10.06.2020. The firm has requested for accounting the shipments they made during the 9th year for EO and Annual Average for issuance of EODC.

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 in support of request for EO extension beyond 8th year and accordingly, the Committee decided to **reject** the request of the applicant.

Case No- 37: Vaishnavi Multygrains Private Limited, Jharkhand
F. No. HQREPCGPRAPP00000358AM23

Subject: Request for 1st Block Extension in respect of EPCG Authorization No. 2130000211 dated 06.02.2015 under 0% Concessional Duty.

The firm has stated that they couldn't fulfill their 50% 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, 2015-20** 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 following conditions:-

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

This has the approval of DG, DGFT.

Case No- 38: Shri Shyam Cotton Industries, Amravati (Maharashtra)

F. No. HQRPRCAPPLY00003212AM23

Subject: Request for 2 years EOP Extension up to 26.11.2022 i.e. 6+2 years in respect of EPCG Authorization No. 5030000529 dated 26.11.2014 under 0% Concessional Duty.

The firm has stated that due to unawareness of the policy provisions regarding the procedure for fulfilling EO they missed to apply for EOP extension within the stipulated time period. The firm stated that they have new export orders to be fulfilled and are trying to apply for EOP extension in the EPCG portal wherein the Dept was not accepting the applications and were

raising Deficiencies in the application stating that the application has not been made within the stipulated time frame.

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 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:-

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

This has the approval of DG, DGFT.

Case No- 39: Usha Fashions Private Limited, Mumbai

F. No. HQREPCGPRAPP00000342AM23

Subject: Request for Condonation of delay in submission of Installation Certificates issued by Office of the Superintendent of Central Tax and Central Excise, Palghar in respect of the following EPCG Authorization nos. 0330045084 dated 12.08.2016 and 0330046291 dated 30.01.2017 under 0% Concessional Duty.

The firm stated that RA Mumbai have directed them to approach DGFT HQ for Condonation of delay in submission of Installation Certificate. The firm further mentioned that they have fulfilled their EO. The firm stated reason for delay in installation of capital goods due to internal shifting of department and responsibility centre for handling EPCG License assignment wherein there was a communication gap and delay in submission of Installation Certificate.

2. As per Installation Certificates issued by Office of the Superintendent of Central Tax and Central Excise, Palghar enclosed by the firm,

S. No.	EPCG Authorization	BOE & Date	Date of issue of Installation Certificate	Date of Installation
1	0330045084 dated 12.08.2016	7653626 dated 30.11.2016	21.07.2017	20.07.2017
2	0330046291 dated 30.01.2017	9458235 dated 26.04.2017	21.07.2017	20.07.2017

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

This has the approval of DG, DGFT.

Case No- 40: Balaji Powertronics, New Delhi

F. No. HQREPCGPRAPP00000341AM23

Subject: Request for the following Amendments in EPCG Authorization No. 0530172174 dated 27.04.2018 under 0% Concessional Duty:

- i. Change of Name of EPCG holder from Balaji Powertronics to Microtek Balaji Powertronics Pvt. Ltd.
- ii. IEC No. to be changed from 0505094240 to AAOCM8964A
- iii. Nature of Concern to be changed from Partnership Firm to Private Limited Company
- iv. Average Annual Value in Rs. to remain unchanged- No previous Export

The firm has stated that:

- Address Remains the Same in EPCG Authorization
- Exporter Type remains the same as Manufacturer Exporter

The firm has requested to instruct concerned RA and EDI to allow above mentioned amendments as their consignments for Exports are being delayed. The firm has enclosed requisite documents in support of their subject request.

Decision: The Committee deliberated upon the case and decided to **recommend to DG for relaxation under Para 2.58 of FTP, 2015-20** to accept transfer of the EPCG authorizations to M/s. Microtek Balaji Powertronics Pvt. Ltd. subject to the following conditions:

1. Average EO (AEO) shall be re-fixed by adding AEO of M/s. Microtek Balaji Powertronics Pvt. Ltd. for same and similar products on date of acquisition.
2. M/s. Microtek Balaji Powertronics Pvt. Ltd. shall complete necessary Bond formalities as may be applicable with Customs Authorities for fulfillment of EO.

This has the approval of DG, DGFT.

Case No- 41: Noble Printing Press, Mumbai

F. No. HQRPRCAPPLY00003187AM23

Subject: Request for Policy Relaxation for Condonation of delay in payment of excess duty saved value in respect of EPCG Authorization No. 0330035069 dated 13.02.2013 under 0% Concessional Duty.

The firm has stated that they have utilized excess cif value of Rs. 86330/- in US\$ 1562.53 but have not paid the additional DGFT fees within one month time period. The firm has requested for allowing relaxation to accept the late payment of fees which was paid late when noticed. The firm stated that the delay occurred due to the lack of knowledge.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 of FTP 2015-20** for condonation of procedural lapse of delay of more than a month in payment of fee for excess duty saved amount as envisaged in the Para 5.16(a) of HBP 2015-20, subject to payment of composition fee of Rs. 5000/- and to the condition that the excess utilization is not more than 10% of duty saved mentioned in the subject EPCG authorization.

This has the approval of DG, DGFT.

Case No- 42: National Aluminium Company Limited, Bhubaneswar

F. No. HQREPCGPRAPP00000385AM23

Subject: Request for Acceptance of Installation Certificate issued by Chartered Engineer instead of Central Excise under policy relaxation Para 2.58 of FTP in respect of EPCG Authorization No. 2330000417 dated 03.04.2009 under 03% Concessional Duty.

The firm has stated that they are a Government of India Enterprise, a Navaratna Company, under the administrative control of Ministry of Mines, is a manufacture exporter of alumina, aluminium metals and other value added products. The firm further stated that for its 2nd phase expansion projects of Smelter plant from 2007 onwards they imported CGs and operational and maintenance spares which were installed within stipulated time.

The firm further mentioned that spares were installed within stipulated time but owing to unavoidable circumstances they were not able to obtain Installation Certificate for spares from Central Excise before 2015 and after that period they stopped issuing Installation Certificate. The firm further mentioned that they have fulfilled AEO and Specific EO within stipulated time and EODC application has been submitted to RA.

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

Case No- 43: National Aluminium Company Limited, Bhubaneswar

F. No. HQREPCGPRAPP00000386AM23

Subject: Request for Acceptance of Installation Certificate issued by Chartered Engineer instead of Central Excise under policy relaxation Para 2.58 of FTP in respect of EPCG Authorization No. 2330000833 dated 15.05.2012 under 03% Concessional Duty.

The firm has stated that they are a Government of India Enterprise, a Navaratna Company under the administrative control of Ministry of Mines, is a manufacture exporter of alumina, aluminium metals and other value added products. The firm further stated that for its

2nd phase expansion projects of Smelter plant from 2007 onwards they imported CGs and operational and maintenance spares which were installed within stipulated time.

The firm further mentioned that spares were installed within stipulated time but owing to unavoidable circumstances they were not able to obtain Installation Certificate for spares from Central Excise before 2015 and after that period they stopped issuing Installation Certificate. The firm further mentioned that they have fulfilled AEO and Specific EO within stipulated time and EODC application has been submitted to RA.

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

Case No- 44: National Aluminium Company Limited, Bhubaneshwar

F. No. HQREPCGPRAPP00000388AM23

Subject: Request for Acceptance of Installation Certificate issued by Chartered Engineer instead of Central Excise under policy relaxation Para 2.58 of FTP in respect of EPCG Authorization No. 2330000851 dated 01.08.2012 under 03% Concessional Duty.

The firm has stated that they are a Government of India Enterprise, a Navaratna Company, under the administrative control of Ministry of Mines, is a manufacture exporter of alumina, aluminium metals and other value added products. The firm further stated that for its 2nd phase expansion projects of Smelter plant from 2007 onwards they imported CGs and operational and maintenance spares which were installed within stipulated time.

The firm further mentioned that spares were installed within stipulated time but owing to unavoidable circumstances they were not able to obtain Installation Certificate for spares from Central Excise before 2015 and after that period they stopped issuing Installation Certificate. The firm further mentioned that they have fulfilled AEO and Specific EO within stipulated time and EODC application has been submitted to RA.

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

Case No- 45: Prarthana Wooltex Private Limited, Panipat

F. No. HQREPCGPRAPP00000423AM23

Subject: Request for:

- i. 1st Block Extension
- ii. EOP Extension i.e. 6+2 years
- iii. 2nd EOP Extension i.e. beyond 6+2 years

In respect of EPCG Authorization No. 3330003073 dated 23.10.2013 under 0% Concessional duty.

The firm has stated that they couldn't fulfill their 100% EO in stipulated time period due to technical faults in Printing and finishing in their Plant which they had purchased 2nd Hand in 2017 which disturbed their manufacturing activity and supply chain.

The firm further stated that their financial position and all manufacturing activities were badly affected and they couldn't make their products in quality and in quantity in the meantime and start our bad time which led to sale out of their Printing/ finishing Plant. The firm further stated that now they are running their knitting and finishing machines to manufacture their products.

Decision:

In respect of 1st& 2nd request, The Committee deliberated upon the case and decided to **recommend to DG for relaxation under Para 2.58 of FTP, 2015-20** to allow:-

(a) Extension in block-wise EOP, as the 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:-

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

This has the approval of DG, DGFT.

In respect of 3rd request, 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 8th year and accordingly, the Committee decided to **reject** the request of the applicant.

Case No- 46: Shree Venkateshwara Electrocast Private Limited, Kolkata

F. No. HQREPCGPRAPP00000382AM23

Subject: Review application for request for second EOP Extension for 2 years i.e. beyond 6+2 years in respect of EPCG Authorization No. 0230009240 dated 17.12.2013 under 0% Concessional duty.

The case was considered in the 3rd EPCG Committee Meeting of AM-23 held on 25.05.2022 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 from 8th to 10th year and accordingly, the committee decided to reject the request of the applicant. Now, the firm vide Review Application dated 01.08.2022 has filed a review application for the above mentioned request. The firm has stated that they were not able to fulfill their 100% EO in stipulated and extended EOP due to:

- Major players in aluminium foil industry had to face stiff competition from other dominant foreign suppliers who were dumping products at very low prices in India
- The firm was a new entrant who had to face competition leading to huge price cutting and severe losses
- Firm lost a lot of capital in initial years until anti dumping duty on imports of all types of aluminium foil from China and other south eastern countries was imposed by Government of India.
- Covid-19 pandemic
- The firm was declared NPA by bankers in 2017; firm repaid bank interest and loan for few years but due to Covid-19 pandemic the bankers had to put the plant on auction to repay outstanding amount

The firm has mentioned that they entered into Joint Venture partnership, settled all dues and are looking forward for fulfilling EO in next 1-2 years. The firm further mentioned that they have pending EO of almost US\$ 1159585.27 approx which needs to be fulfilled.

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

Case No- 47: Parmeshwari Silk Mills Limited, Ludhiana

F. No. HQREPCGPRAPP00000417AM23

Subject: Request for Second EOP Extension up to 26.12.2023 i.e. beyond 6+2 years for fulfillment of AEO in respect of EPCG Authorization No. 3030011913 dated 27.12.2013 under 0% Concessional duty.

Earlier, the case was considered in the 4th EPCG Committee meeting of AM-23 held on 03.06.2022 wherein the Committee deliberated upon the case and decided to recommend to DG for relaxation under Para 2.58 of FTP 2015-20 to allow condonation of delay in approaching RA for EOP extension for 2 years (from 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/-

Now, the firm vide application dated 26.08.2022 has requested for second EOP Extension up to 26.12.2023 i.e. beyond 6+2 years for fulfillment of AEO in respect of above mentioned EPCG Authorization. The firm has stated that they fulfilled their 100% 1st Block within stipulated time but couldn't fulfill their AEO 100% in the same due to change of trend of

foreign buyer and Covid-19 which effected the business and trading worldwide and caused loss of 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 or any genuine hardship faced by them in support of request for EO extension beyond 8th year and accordingly, the Committee decided to **reject** the request of the applicant.

Case No- 48: Shri Swami Samarth Shetkari Wa Vinkari Sahakari Soot Girni Niyamit Valsang, Maharashtra

F. No. HQRPRCAPPLY00003371AM23

Subject: Request for:

- i. Condonation of delay in payment of official fees on excess duty saved value utilized
- ii. Shifting of excess exports from one license to another license
- iii. Reduction in Average Export Performance (AEP) to NIL

In respect of EPCG Authorization No. 3130007549 dated 02.09.2013 under 0% Concessional Duty.

The firm has stated that:

1. Condonation of delay in payment of official fees on excess duty saved value utilized: the firm stated that they have paid official fees of Rs. 2300 on 04.10.2018 for excess duty saved utilized and have requested to condone the delay in payment of official fees on excess utilization at customs.
2. Shifting of excess exports from one license to another license: the firm has requested to allow adjustment of excess exports made against EPCG Authorization No. 313000281 dated 13.02.2007 for fulfillment of EO of subject EPCG Authorization No. 3130007549 dated 02.09.2013. the firm stated that exports have been made within validity period of EPCG Authorizations and further mentioned that:
 - There is no free shipping bill in any exports
 - All conditions of EODC had been met
 - Declaration that there has been no double counting of exports
 - Declaration that all exports have been made within validity of EOP
3. **Reduction in Average Export Performance (AEP):** the firm has requested for reducing Average Export Performance to the extent of specific EO which has been erroneously included by them for [purpose of computation of Average EO. The firm further mentioned that as per FTP provisions exports made towards Specific EO of all previous EPCG Licenses shall not be added up for computation of average and that the revised AEP should be NIL.

Decision:

In respect of 1st request,

The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 of FTP 2015-20** for condonation of procedural lapse of delay of more than a month in payment of fee for excess duty saved amount as envisaged in the Para 5.16(a) of HBP 2015-20, subject to payment of composition fee of flat Rs. 5000/- and to the condition that the excess utilization is not more than 10% of duty saved mentioned in the subject EPCG authorization.

This has the approval of DG, DGFT.

In respect of 2nd & 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.

Case No- 49: Nobel Hygiene Private Limited, Mumbai

F. No. HQRPRCAPPLY00003398AM23

Subject: Request for EOP Extension i.e. 6+2 years in respect of EPCG Authorization No. 0330046794 dated 29.03.2017 under 0% Concessional duty.

The firm has stated that Due to Covid-19 pandemic, they could not submit their application on time for EOP extension due to which RA Mumbai has asked them to contact DGFT HQ for approval. The firm has requested to instruct RA Mumbai to accept their application and make the necessary EOP extension arrangement.

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 6th year to 8th year) on payment of composition fee or imposition of additional EO in terms of Para 5.17 of HBP (w.e.f. 05.12.2017) and late fee of Rs. 10,000/-.

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

This has the approval of DG, DGFT.

Case No- 50: Nobel Hygiene Private Limited, Mumbai

F. No. HQRPRCAPPLY00002893AM23

Subject: Request for Second EOP Extension for 2 years i.e. beyond 6+2 years in respect of EPCG Authorization Nos. 0330037620 dated 02.01.2014 and 0330036944 dated 01.10.2013 under 0% Concessional duty.

The firm has stated that they couldn't fulfill their 100% EO in stipulated and extended EOP for both the authorizations due to Covid-19 pandemic, global logistics/ shipping chaos, reduced export orders and economic constraints.

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.

Case No- 51: Nobel Hygiene Private Limited, Mumbai

F. No. HQRPRCAPPLY00003456AM23

Subject: Request to allow payment of Fees for Excess Duty Saved Value Utilization in respect of EPCG Authorization No. 0330035067 dated 13.02.2013 under 03% Concessional Duty.

The firm has stated that they had not paid excess DSV utilization within 2 years of the excess import taking place and have requested to allow them to pay applicable fees for excess DSV utilization. RA Mumbai has issued a DL dated 23.12.2021 directing the firm to approach DGFT HQ for excess DSV utilization as per P.N. 22 dated 31.07.2019.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 of FTP 2015-20** for condonation of procedural lapse of delay of more than a month in payment of fee for excess duty saved amount as envisaged in the Para 5.16(a) of HBP 2015-20, subject to payment of composition fee of Rs. 5000/- and to the condition that the excess utilization is not more than 10% of duty saved mentioned in the subject EPCG authorization.

This has the approval of DG, DGFT.

Case No- 52: Parashar Future Technologies LLP, Faridabad

F. No. HQREPCGPRAPP00000414AM23

Subject: Request for waiver of the Duty obligation for return of unfit machines to the Supplier under Para 5.25 for re-export/ repair/ replacement of Capital Goods under EPCG Scheme in respect of EPCG Authorization No. 0530176367 dated 24.09.2020 under 0% Concessional Duty.

The firm has stated that machines were imported for production of prosthetic parts in India but due to Covid-19 restrictions and unavailability of specialist operators, the acceptance testing of machines could not be held till recently wherein the machines were found unfit for production of prosthetic parts. The firm mentioned that the supplier has agreed to take the machines back. The firm has attached their complaint letter to the supplier and the supplier's acceptance letter to take the machines back.

The firm has requested to clear their machines for return to supplier under Rule 5.25 for Re-export/ Repair/ Replacement of Capital Goods imported under EPCG Scheme wherein Capital Goods imported and found defective or otherwise unfit for use may be exported within 2 years from the date of clearance by Customs of such goods with permission of RA/ Customs Authority and Capital Goods in replacement thereof be imported under EPCG Scheme. In such cases while allowing export, the Customs shall credit the duty benefit availed which can be debited again at the time of import of such replaced Capital Goods.

Decision: The Committee deliberated upon the case and decided to call for details copy of import bill of entry and reasons for delay in re-exporting beyond two years.

Case No- 53: Sri Santhoshimatha Cotton Industries, Telangana

F. No. HQRPRCAPPLY00003367AM23

Subject: Request for EOP Extension for 10 days (beyond 6+2 years) in respect of EPCG Authorization No. 0930009591 dated 21.08.2013 under 0% Concessional duty.

The firm has stated that they had fulfilled 100% EO in extended EOP but RA Hyderabad issued a D/L stating that 2 shipping bills are outside EOP i.e. 21.08.2021 and hence cannot be considered for fulfillment of EO. The firm further stated that they had supplied/ raised the tax invoices to direct exporter before expiry of EO but delay happened in export shipment by direct exporter wherein they were unable to file the shipping bills within period. The firm mentioned that they had made 100% supplies to direct exporter within validity of EPCG Authorization. The firm has further stated that the 2 shipping bills have exceeded the EOP.

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 second extension in EOP beyond (6+2 years) for 10 days 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 above relaxation is also subject to the following conditions :-

- a. The proper installation certificate has been submitted within time limits as specified.

This has the approval of DG, DGFT.

Case No- 54: Sara Spintex India Private Limited, Maharashtra

F. No. HQREPCGPRAPP00000405AM23

Subject: Request for 1st Block Extension in respect of EPCG Authorization No. 0330035570 dated 09.04.2013 under 03% Concessional Duty.

The firm has stated that they had applied to RA Mumbai for 1st Block Extension wherein RA Mumbai issued them a D/L stating that “the extension in block has to be availed within three months of expiry of block and PN 67 is not applicable for block in this case. The firm further stated that they couldn’t fulfill their 50% of EO in stipulated time period of 1st Block due to unfavorable market situation of textile sector and they couldn’t apply to RA for block wise extension within prescribed time period. The firm further mentioned that they have fulfilled their entire EO in 2nd Block.

Decision: The Committee deliberated upon the case and decided to **recommend to DG for relaxation under Para 2.58 of FTP, 2015-20** to allow extension in block-wise EOP, as the 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 following conditions:-

- a. The proper installation certificate has been submitted within time limits as specified.

This has the approval of DG, DGFT.

Case No- 55: Sara Spintex India Private Limited, Maharashtra

F. No. HQREPCGPRAPP00000398AM23

Subject: Request for 1st EOP Extension for 2 years (8+2 years) up to 31.12.2023 in view of P.N. 67 dated 31.03.2020 and Notification No. 28/2015-20 dated 23.09.2021 in respect of EPCG Authorization No. 0330032644 dated 16.05.2012 under 03% Concessional Duty.

The firm has stated that their EPCG License got expired on 16.05.2020 but the same was extended up to 31.12.2021 as per P.N. 67 dated 31.03.2020 and Notification No. 28/2015-20 dated 23.09.2021. The firm stated that they were unable to fulfill their 100% EO up to 31.12.2021 due to Covid-19 pandemic and its lockdowns and work from home situations. The firm further mentioned that they have enough export queries and will be able to fulfill EO if extension is granted up to 31.12.2023.

Decision:

In respect of request for EOP Extension up to 31.12.2021:

The Committee deliberated upon the case and decided to advise the applicant to approach RA for extension of EO Period up to 31.12.2021 as per DGFT's Public Notice No. 67 dated 31.3.2020 and Notification No. 28/2015-20 dated 23.09.2021.

In respect of request for EOP Extension up to 31.12.2023:

The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 of FTP, 2015-20** to allow condonation of delay in approaching RA for EOP extension for 2 years (from 8 yrs to 10 yrs) i.e. up to 30.12.2023 (subsequent to grant of EO extension upto 31.12.2021 as per DGFT's PN No. 67 dated 31.3.2020 and Notification No. 28/2015-20 dated 23.09.2021) 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.

Case No- 56: Spring Knits, Ludhiana

F. No. HQREPCGPRAPP00000472AM23

Subject: Request for second EOP Extension for 3.5 months (from 08.10.2021 to 19.01.2022) i.e. beyond 6+2 years in respect of EPCG Authorization No. 3030011707 dated 09.10.2013 under 0% Concessional Duty.

Earlier the firm i.e. Spring Knits, Ludhiana vide F. No. HQREPCGPRAPP00238695AM22 dated 01.11.2021 had requested for second EOP Extension for six months up to 08.04.2022 in respect of EPCG Authorization No. 3030011707 dated 09.10.2013 under 0% Concessional Duty. The case was considered in the 1st Meeting of AM-23 held on 04.05.2022 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 EOP extension by 6 months after 8 years and accordingly, the committee decided to reject the request of the applicant.

Now, the firm vide application dated 16.09.2022 has requested for second EOP Extension for 3.5 months (from 08.10.2021 to 19.01.2022) i.e. beyond 6+2 years in respect of EPCG Authorization No. 3030011707 dated 09.10.2013 under 0% Concessional duty. The firm has submitted the following-

The firm has stated that they made 3rd party exports and 78% of EO was fulfilled within overall extended EOP i.e.08.10.2021. The firm further stated that they couldn't fulfill 100% EO in stipulated and extended EOP due to cancellation of export orders, price issues, and Covid-19 pandemic leading to slow execution of next export orders. The firm has stated that balance 22% EO was fulfilled till 19.01.2022 after 3.5 months of Extended EOP and the firm has requested for Extension for the same.

Decision: The Committee deliberated upon the case and decided to remand the case to RA to decide the case in terms of Public Notice No. 53/2015-20 dated 20.01.2023. RA may examine the request on merit.

Case No- 57: Varroc Engineering Limited, Aurangabad

F. No. HQREPCGPRAPP00000430AM23

Subject: Request for Change of Factory Address in respect of following 6 EPCG Authorizations under 0% Concessional Duty:

- i. 3131000187 dated 19.02.2021
- ii. 3130011273 dated 06.10.2020
- iii. 3131000008 dated 07.12.2020
- iv. 3131000027 dated 18.12.2020
- v. 3131000146 dated 23.02.2021
- vi. 3131000173 dated 23.02.2021

The firm has stated that they are one of the largest tier 1 automotive exterior engineering manufacturer in India for 2.3 and 4 wheelers and commercial vehicles. The firm further stated that there were challenges of availability of staff in Covid-19 pandemic as their area was in Red zone and the staff had by oversight mentioned wrong Installation Address in the EPCG Applications wherein the firm had realized the errors and applied to RA Pune for correction of the Installation Address. RA Pune further raised a deficiency to the firm stating that they have already installed CGs at the new address without intimation/permission from RA Pune which is

not mentioned in their authorization and hence were requested to approach DGFT HQ for consideration.

The firm has mentioned the following reasons for installing CGs at different address:

1. The installation address i.e. B-24/25, MIDC, Chakan, Pune was mentioned in EPCG Authorization by human and clerical error caused during Covid-19 pandemic
2. Purchase copies have been raised and BOE were filed on address where the CGs have been eventually installed i.e. B-14, MIDC, Chakan, Pune
3. Both Factories belong to the firm and are mentioned in IEC and RCMC

The firm further stated that CGs was installed within 6 months from date of import and IC were obtained from Chartered Engineer and submitted to RA. The firm further stated that there has been no violation/ contravention or undue advantage of any provisions of FTDR Act or FTP and HBP and that the EO is being fulfilled as per statement enclosed from actual address.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 of FTP, 2015-20** to amend installation address to B-14, MIDC, Chakan, Pune.

This has the approval of DG, DGFT.

Case No- 58: Zon Hotels Private Limited, Goa

F. No. HQREPCGPRAPP00000469AM23

Subject: Request for

- i. **1st Block Extension**
- ii. **EOP Extension for 1 year i.e. 6+1 year**

In respect of EPCG Authorization No. 0330038403 dated 25.03.2014 under 0% Concessional Duty.

The firm has stated that they couldn't fulfill their 100% EO in stipulated time period due to Covid-19 lockdowns which led to no International flights leading to downfall in business and no foreign guests. The firm further stated that they fulfilled their EO in the next year after EOP expired.

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

- (a) Extension in block-wise EOP, as the 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 1 year (from 6th year to 7th 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 proper installation certificate has been submitted within time limits as specified in FTP.

This has the approval of DG, DGFT.

Case No- 59: Nice Rubber Industries Private Limited, Kolkata

F. No. HQREPCGPRAPP00000426AM23

Subject: Request for 1st Block Extension in respect of EPCG Authorization No. 0230008452 dated 29.11.2012 under 0% Concessional Duty.

The firm has stated that they could only fulfill 11.53% of EO within 1st Block of EOP due to unavoidable reasons. The firm has requested for 1st Block Extension which they can avail from RA Kolkata after payment of composition fees as per EXIM policy.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 of FTP, 2015-20** to allow extension in block-wise EOP, as the 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 following condition:-

- a. The proper installation certificate has been submitted within time limits as specified.

This has the approval of DG, DGFT.

Case No- 60: Laxmi Ginning And Pressing, Jalgaon (M.H.)

F. No. HQRPRCAPPLY00002888AM23

Subject: Request for:

- i. **Extension of 1st block**
- ii. **EOP Extension for 2 years (i.e. from 8 years to 10 years)**

In respect of EPCG Authorization No. 0330030339 dated 19.08.2011 under 3% Concessional duty.

The firm has stated that due to their unawareness of the policy provisions regarding the procedure for fulfilling EO they have missed to apply for block-wise extension and EOP extension within the stipulated time period. At present, they have new export orders to be fulfilled and they are trying to apply for EOP extension in the EPCG portal but have not been successful.

Decision:

In respect of 1st and 2nd request of the firm:

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

(a) Extension in block-wise EOP, as the 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 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- 61: B-One Business House Private Limited, Bhubaneswar

F. No. HQREPCGPRAPP00000396AM23

Subject: Request for Condonation of delay in submitting Installation Certificate issued by Chartered Engineer in respect of EPCG Authorization No. 0230014264 dated 14.02.2020 under 0% Concessional Duty.

The firm has stated that due to Covid-19 pandemic they were unable to install the capital goods in stipulated time but have finally completed the installation due to which they have requested for Condonation of delay of submission of Installation certificate. As per Installation Certificate dated 28.08.2021 issued by Chartered Engineer enclosed by the firm, machinery was installed at the firm's premises on 07.08.2020 vide BOE No. 7458309 dated 16.04.2020, 7076613 dated 02.03.2020 and 7554625 dated 30.04.2020.

Decision: The Committee deliberated upon the case and decided to call for a report from RA regarding date of submission of installation certificate to RA.

Case No- 62: Saehan Stamping Private Limited, Tamil Nadu

F. No. HQREPCGPRAPP00000361AM23

Subject: Review application for request for second EOP Extension up to 18.12.2022 i.e. beyond 6+2 years in respect of EPCG Authorization No. 0430011999 dated 19.12.2012 under 0% Concessional Duty.

The case was earlier considered in the 1st EPCG Committee Meeting of AM-23 held on 04.05.2022 vide F. No. HQREPCGPRAPP00149005AM22 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 from 8th year to 10th year and accordingly, the committee decided to reject the request of the applicant. Now, the firm has filed a review application and requested for the same i.e. request for extension of EOP for 2 years from 19.12.2020 to 18.12.2022 for subject authorization. The firm stated that they need time to discharge the EO and they are confident of completing the remaining EO within another 1-2 years.

The firm further stated that they are an MSME company in India and they received extension in EOP for two years i.e. from 6th to 8th year from RA and during this period, executed export orders to M/s Sanmina, a unit operating in SEZ. The firm mentioned that they have now orders/enquires for their export product for direct exports and through third party.

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 in support of request for EO extension and accordingly, the Committee decided to **reject** the request of the applicant.

Case No- 63: Glen Industries Private Limited, Kolkata

F. No. HQREPCGPRAPP00000312AM23

Subject: Request for Condonation of delay in late submission of Installation Certificate issued by Chartered Engineer in respect of EPCG Authorization No. 0230013982 dated 01.11.2019 under 0% Concessional Duty.

As per ANF-2D, the firm has stated that CGs were installed and Chartered Engineer Installation Certificate was obtained on 08.02.2020 but there was a delay in submission of the same due to covid-19 pandemic. The firm further stated that Installation Certificate was submitted to RA Kolkata on 30.11.2021 wherein RA Kolkata marked the application as deficient and asked them to approach HQ for condonation.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 of FTP 2015-20** to allow condonation of delay in installation of Capital Goods beyond stipulated time period subject to payment of a late fee of Rs. 5000/- and submission of installation certificate.

RA to verify that no ECA/DRI/Customs action is pending.

This has the approval of DG, DGFT.

Case No- 64: MFAR Hotels & Resorts Pvt. Ltd., Chennai

F. No. HQREPCGPRAPP00000072AM23

Subject: Request for **Condonation for late submission of Installation Certificates issued by Chartered Engineer** against EPCG Authorization Nos. 0430010277 dated 14.09.2011 and 0430010722 dated 10.01.2012.

The firm has stated that they were unaware that the installation certificate should be submitted within six months from the date of bill of entry. The firm stated that they have completed their 100% EO yet their file is on hold/under process with RA, Chennai. But RA, Chennai vide their D/L dated 21.12.2021 and 08.02.2022 has conveyed to them as under:

For EPCG Authorization No. 0430010277 dated 14.09.2011	For EPCG Authorization no. 0430010722 dated 10.01.2012
Installation certificate not submitted in the Redemption file. Late submission of I/C penalty to be paid through e-MPS link with this file number and authorization number.	Installation certificate submitted to this office on 31.01.2022 (i.e. 31.03.2021). You are advised to approach EPCG Committee.
You are advised to approach EPCG Committee due to IC submitted beyond 18 months i.e. 31.03.2021.	Statement of imports with Bill of Entry number and DSV duly signed by the 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- 65: MFAR Hotels & Resorts Pvt. Ltd., Chennai

F. No. HQREPCGPRAPP00000070AM23

Subject: Request for condonation for late submission of Installation certificate issued by Chartered Engineer against EPCG Authorization Nos. 0430011502 dated 27.07.2012 and 0430012042 dated 02.01.2013.

The firm has stated that they were unaware that the installation certificate should be submitted within six months from the date of bill of entry. The firm stated that they have completed their 100% EO yet their file is on hold/under process with RA, Chennai.

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- 66: Habib Textiles Private Limited, Bhiwandi (Maharashtra)

F. No. HQREPCGPRAPP00000302AM23

Subject: Request for 1st Block Extension in respect of EPCG Authorization No. 0330034302 dated 20.11.2012 under 03% Concessional Duty.

The firm has stated that they have fulfilled 100% EO in their 2nd Block and have requested for Condonation of delay for applying for 1st Block Extension beyond 90 days as per Para 2.58 of FTP.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 of FTP 2015-20** to allow extension in block-wise EOP, as the firm could not apply to RA within the prescribed time period. This shall be subject to payment of 2% composition fee on duty saved amount in proportion to the shortfall at the end of each block in terms of the provisions of Para 5.8.3 of HBP 2009-14 and late fee of Rs. 10,000/-.

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

This has the approval of DG, DGFT.

Case No- 67: Habib Textiles Private Limited, Bhiwandi (Maharashtra)

F. No. HQREPCGPRAPP00000307AM23

Subject: Request for:

- i. **1st Block Extension**
- ii. **2 years EOP Extension i.e. from 6th to 8th year**

In respect of EPCG Authorization No. 0330040920 dated 09.02.2015 under 0% Concessional Duty. The firm has requested to condone the delay for applying for Block-wise EO Extension beyond 90 days.

The firm further stated that they had completed their 100% EO in stipulated time period in 2nd block but RA concerned has raised queries regarding mismatch of HS Codes of EPCG License and Shipping Bills and due to which the firm now has to do fresh exports. RA Mumbai has raised a D/L dated 15.04.2021 stating to the firm that:

“ Submit proof of submission of Installation Certificate submitted to this office or otherwise submit documents as per Para 5.04 of HBP

ITCHS Code and export product description allowed in the authorization is not correlating with Shipping Bills ITCHS Code and export product description.

Submit composition fees for 1st block extension as per Para 5.14 (c) of HBP 2015-20.”

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

- (a) Extension in block-wise EOP, as the 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 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- 68: Mukti Projects Limited , Kolkata

F. No. HQREPCGPRAPP00000060AM23

Subject: Request for Extension of EOP for two years (i.e. From 10th year to 12th year) in respect of EPCG Authorization No. 0230007326 dated 16.11.2011 under 03% Concessional duty.

The firm has stated that they are a Hotel Service Provider. The firm has stated that they could not make any exports against the above said EPCG Authorization within the valid E.O Period of 8 years due to extremely adverse circumstances, like the COVID related severe setbacks to the hotel industry Since, they did not have foreign guests, who could pay their bills in foreign Exchange, during this time after re-opening of the hotel.

In support of the proposal, the firm has stated that since first such extension in E.O. Period for two years covering the years pandemic period during which our hotels were completely closed down, from Oct'2019 to Oct '2021, which expires during the period Oct'2021 against the EPCG Authorization, have no value as such, as the hotels were completely closed down during this period as per the government directives, hence they would need a minimum of another two years EOP extension from the date of endorsement, in order to complete their EO.

Decision: The Committee deliberated upon the case and decided to advise the authorization holder to approach RA for EO extension interms of Public Notice No-53 dated 20.1.2023.

Case No- 69: Shiva Fibres Private Limited, Ludhiana

F. No. HQREPCGPRAPP00000319AM23

Subject: Request for:

1. EOP Extension for 4 years i.e. **from 10th year onwards**

OR

2. Waive 50% of pending EO

In respect of 19 EPCG Authorizations under 03% Concessional duty:

- i. 0830004817 dated 25.04.2012
- ii. 0830004448 dated 22.09.2011
- iii. 0830004700 dated 24.02.2012
- iv. 0830004769 dated 28.03.2012
- v. 0830005204 dated 19.12.2012
- vi. 0830004811 dated 17.04.2012
- vii. 0830005266 dated 11.01.2013
- viii. 0830005013 dated 16.08.2012
- ix. 0830004810 dated 17.04.2012
- x. 0830004921 dated 21.06.2012

- xi. 0830004864 dated 18.05.2012
- xii. 0830004876 dated 24.05.2012
- xiii. 0830005122 dated 30.10.2012
- xiv. 0830005119 dated 26.10.2012
- xv. 0830005197 dated 14.12.2012
- xvi. 0830005202 dated 19.12.2012
- xvii. 0830005224 dated 26.12.2012
- xviii. 0830004200 dated 13.04.2011
- xix. 0830004637 dated 19.01.2012

The firm has stated that an agreement has been entered between them and Intercontinental Hotels Group on 23.10.2014 enabling them to commence operations of hotel business under brand name- Crowne Plaza. The firm further stated that they undertook 03% EPCG Authorizations to import capital goods and intended to fulfill EO from foreign exchange revenue to be earned from foreign tourists. The firm stated that they received 2 years EOP Extension (i.e. from 8th to 10th year) by discharging 2% composition fees due to Covid-19 pandemic.

The firm has further stated that the Grounds for relief for the above mentioned request is Impact of Covid-19 on the Travel and Tourism Industry as they were the worst hit sectors due to the pandemic. The firm stated that even today when Covid-19 has a bit stabilized international tourism has still not picked up to pre-Covid-19 levels and that the pandemic and its related lockdowns has resulted negatively on their revenue by a huge margin.

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- 70: Promotional Club, New Delhi
F. No. HQREPCGPRAPP00000354AM23

Subject: Request for relaxation for balance Average EO in respect of the following EPCG Authorizations under 0% Concessional Duty:

- i. 0530165227 dated 23.06.2015
- ii. 0530165228 dated 23.06.2015
- iii. 0530166653 dated 31.12.2015
- iv. 0530166981 dated 16.02.2016

The firm has stated that they have fulfilled their 100% EO within stipulated time period. However the firm stated that they couldn't fulfill their 100% AEO in stipulated time due to:

- i. They were lured to give better facilities, interest rates, working capital requirements etc. to withdraw their bank account and do business with Syndicate/Canara Bank. The firm stated that their unit was completed and commenced in February/March 2016 and they approached for sanction of working capital for new textile mill for which TL was

sanctioned and used. The firm further stated that thereafter bank officials changed as a result of which working capital for newly made project could not be sanctioned and burden of high interest and fixed cost was incurring due to which it was unable to sustain without additional working capital. The firm stated that his situation happened due to the bank's fault i.e. by not providing working capital in timely manner and didn't come forward to rescue newly made MSMEs.

- ii. The firm stated that Bank classified them as an NPA on 28.09.2017.
- iii. Factory remained close for 2 years due to Covid-19 pandemic and serious malignant disease of their Managing Partner.
- iv. Financial crisis

The firm further stated that they deposited Rs. 9.62 cr (45%) out of Rs. 22.22 cr NPA as per bank for restructuring making their account standard and still have Rs. 70 lakhs in the account. The firm further stated that they have applied for redemption of subject authorization which is pending due to non fulfillment of complete 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.

Case No- 71: Schneider Prototyping India Private Limited, Puducherry

F. No. HQRPRCAPPLY00003288AM23

Subject: Request for relaxation as per Para 2.50 (A) of FTP r/w. 5.25 (A) of HBP for Re-exporting our defective capital goods imported under EPCG Authorization No. 0530169103 dated 06.12.2016 issued by CLA, New Delhi under 0% Concessional Duty.

The firm has stated that they are in the design and developments of Prototypes in various industries create the final version of an idea of the product for industrial use. The firm further stated that the main machinery i.e. S-Print Phenoll 3D Printer Digital Core and Printed Standard HHP imported vide BOE No. 8764533 dated 04.03.2017 have found to be defective and could not be used for the purpose wherein all attempts to repair and refurbish the machine could not succeed. The firm further stated that engineers from the supplier i.e. Exone, Germany also failed to repair the machine for more than 4 years and the matter was taken up and the supplier has agreed to take back the machineries.

The firm has requested to permit them to re-export the machineries that are found to be defective and not repairable in India and duty saved value of Rs. 1,28,14,067/- may be credited to subject EPCG Authorization to enable them to approach CLA, New Delhi for re-fixing the EO for the actual duty saved value of Rs. 26,27,166/- @ 6 times which works out to Rs. 1,57,62,996/- as per the conditions sheet attached to the authorization.

The firm further stated that the foreign supplier wants the above defective machineries on time bound schedule and hence the firm has requested for permission for re-exporting the same as per Para 5.25 (A) of HBP read with 2.50 (A) of FTP by giving relaxation of the mandated period of 3 years. The firm further mentioned that the value of the machinery was to be paid on deferred payment mode on ECB procedure and so far they have paid only 22% to the foreign

supplier and have taken up the matter with the PNB and also the RBI for waiver of the payment to the supplier. The delay of 2 years more than the mandated period of 3 years is due to their effort to repair the machinery in India itself which failed in the last 5 years and hence have decided to re-export the defective machinery.

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- 72: Ind Sphinx Precision Ltd, Parwanoo

F. No. HQRPRCAPPLY00003200AM23

Subject: Request for Condonation of delay in Submission of Installation Certificate issued by Chartered Engineer due to technical errors in the Online Portal in respect of EPCG Authorization No. 3031000894 dated 19.07.2021 under 0% Concessional Duty.

The firm has stated that the authorization holder has to submit the Installation Certificate to RA office within 6 months from the date of completion of import and IEC holders are advised to submit BOE details with attachment of Chartered Engineer Installation Certificate online through DGFT portal only. The firm has stated that they were trying to update BOE data in bills repository section at DGFT online portal, but were facing technical error which may be BOE transmission/integration issue from custom EDI system.

The firm further stated that BOE was transmitted at DGFT online portal after expiry of Installation Certificate application date due to which there was a delay in submission of installation certificate application. The firm further stated that they have imported and installed capital goods within specified time period.

The firm has requested to consider this as intimation and submission of Installation certificate under Para 5.04 of HBP 2015-20 against subject EPCG authorization and BOE No. 5468366 dated 16.09.2021. The firm has also requested to waive off penalty clause for non-submission of installation certificate in the advised timeline. As per Installation Certificate dated 30.11.2021 issued by Chartered Engineer enclosed by the firm, machinery was installed at the firm's premises on 06.10.2021 vide BOE No. 5468366 dated 16.09.2021.

Decision: The Committee deliberated upon the case and decided to remand the case to RA to consider as per the Policy provision as no relaxation is required at this stage.

Case No- 73: Vedant Hospital, Thane

F. No. HQRPRCAPPLY00003300AM23

Subject: Request for EOP Extension i.e. 8+2 years in respect of EPCG Authorization No. 0330028269 dated 29.12.2010 under 03% Concessional Duty.

The firm has stated that they couldn't fulfill their 100% EO in stipulated time period due to :

- Project had to start in 2010 but got delayed
- MD had a brain stroke leading to project delay

- Court cases filed by nearby hotel owner took 2 years for the firm to take judgments from the court in their favor
- Imported machines from Japan couldn't be installed before 2013 due to exchange rate fluctuations
- Location of the hospital is 60 kms from international hospitals wherein patients in travelling till there due to infrastructural challenges, power fluctuations and tripping by MSEDCL
- Non operational machines after 4 years affecting generation of foreign income from foreign patients, huge amount in maintenance and spares
- Lack of awareness in medical tourism, international patients going to highly accredited hospitals

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 of FTP, 2015-20** to allow Condonation of delay in approaching RA for EO extension for 2 years (from 8th year to 10th year) on payment of composition fee or imposition of additional 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 also decided to advise the authorization holder to take benefits of Public Notice No-53 dated 20.1.2023, in case they desire.

Case No- 74: Findoc Impex, Ludhiana

F. No. HQREPCGPRAPP00000356AM23

Subject: Request for Condonation of delay in Submission of Installation Certificate issued by Chartered Engineer (not registered with Central Excise) in respect of EPCG Authorization No. 3030016038 dated 21.09.2016 under 0% Concessional Duty.

The firm has stated that inadvertently they could not submit the Installation Certificate within stipulated time period i.e. within 18 months from the date of clearance of import and the same was submitted at the time of redemption duly issued by Chartered Engineer as they are not registered with Central Excise. The firm has requested to regularize the late submission of Installation Certificate. As per Installation Certificate dated 07.12.2016 issued by Chartered Engineer enclosed by the firm, machinery was installed at the firm's premises on 06.12.2016 vide BOE No. 6872089 dated 27.09.2016.

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- 75: Findoc Impex, Ludhiana

F. No. HQREPCGPRAPP00000357AM23

Subject: Request for Condonation of delay in Submission of Installation Certificate issued by Chartered Engineer in respect of EPCG Authorization No. 3030015209 dated 15.02.2016 under 0% Concessional Duty.

The firm has stated that inadvertently they could not submit the Installation Certificate within stipulated time period i.e. within 18 months from the date of clearance of import and the same was submitted at the time of redemption duly issued by Chartered Engineer as they are not registered with Central Excise. The firm has requested to regularize the late submission of Installation Certificate. As per Installation Certificate dated 22.04.2016 issued by Chartered Engineer enclosed by the firm, machinery was installed at the firm's premises on 21.04.2016 vide BOE No. 4394836 dated 26.02.2016.

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- 76: Palm Grove Beach Hotels Private Limited, Mumbai

F. No. HQREPCGPRAPP00000346AM23

Subject: Request for allowing payment of additional application fee on excess duty saved utilized in respect of EPCG Authorization No. 0330039777 dated 17.09.2014 under 0% Concessional duty.

The firm has stated that Duty saved amount of the CGs imported was Rs. 31809527 which was exceeding the value of EPCG License by Rs. 1654481 (5.48%). The firm has stated that they have fulfilled 100% EO during 2019-20 and applied for redemption to RA Mumbai which in return issued a deficiency letter. The firm further stated that RA Mumbai further pointed that P.N. No. 22 dated 31.07.2019 and P.N. No. 03 are not applicable in their case as their authorization is issued before 31.03.2015 and advised them to approach DGFT HQ. The firm has submitted that application fee for excess goods imported come to Rs. 3309/- which the firm is ready to pay.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 of FTP 2015-20** for condonation of procedural lapse of delay of more than a month in payment of fee for excess duty saved amount as envisaged in the Para 5.16(a) of HBP 2015-20, subject to payment of composition fee of Rs. 5000/- and to the condition that the excess utilization is not more than 10% of duty saved mentioned in the subject EPCG authorization.

This has the approval of DG, DGFT.

Case No- 77: Senthil Paper Product Private Limited, Coimbatore

F. No. HQRPRCAPPLY00003257AM23

Subject: Request for **second EOP Extension for 2 years i.e. beyond 6+2 years** in respect of EPCG Authorization No. 3230019816 dated 20.12.2013 under 0% Concessional Duty.

The firm has stated that their EOP has been changed from 6 years to 8 years as per enclosed License Amendment Sheet. The firm has stated that they couldn't fulfill their 100% EO in stipulated time period due to non-procurement of export orders from overseas due to Covid-19 pandemic. The firm further stated that they wish to voluntarily deposit 50% of duty saved value to customs in support of the above mentioned request of EOP Extension from 8th to 10th year as they are receiving export orders right now to be fulfilled.

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- 78: Cast Craft Pvt. Ltd., Bengaluru

F. No. HQRPRCAPPLY00002580AM23

Subject: Request for inclusion of export products against EPCG Authorization No. 0730009771 dated 13.01.2011.

The firm stated that they submitted application to RA, Bengaluru for Inclusion of addition export products which were inadvertently left by them while making the application as they were applying for the 1st time and hence were not aware of the rules and regulation of the EPCG Policy. At the time of redemption the RA raised the objection that the EOP is already expired on 31.01.2019 & hence they cannot include the export products. Therefore, the firm has requested for inclusion of export products or grant them the EOP Extension till 31.05.2022 for regularization. The firm has also stated that they have completed 100% EO & maintained AEO as per license. RA, Bengaluru vide their D/L dated 20.05.2022 has conveyed to them as under:

"EOP is already expired on 13.01.2019. Hence your request for inclusion of export products has been rejected."

Decision: The Committee went through the statements made by the applicant and noted that EOP has been already expired on 13.01.2019 and 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- 79: Indraprastha Medical Corporation Limited, New Delhi

F. No. HQREPCGPRAPP00000347AM23

Subject: Request for Re-fixation of Annual AEO in terms of Para 5.19 of HBP 2015-20 as total service exports declined by more than 5% during this period compared to previous years in respect of EPCG Authorization No. 0530174429 dated 22.05.2019 under 0% Concessional Duty.

The firm has stated that they were incorporated as a public Limited Company also registered with Service Exports Promotion Council and deliver medical care through norms, medical technology and services. The firm stated that they had obtained subject EPCG License for import of Radixact TM X9 System configuration to export healthcare services towards fulfillment of EO. The firm has requested for re-fixation of Annual AEO in terms of Para 5.19 of HBP 2015-20 as they were unable to fulfill the same due to:

- Covid-19 pandemic outbreak
- Cripple of India's medical tourism due to downturn in Indian economy
- Impact of lockdown and restrictions on medical tourism (Fall in foreign tourist for medical treatment fell by 73.7% and 86% in 2020 and 2021)
- Reduced Export of healthcare services from FY 2019-22 leading to reduced earnings in foreign exchange

The firm has state that in accordance to Para 5.19 of HBP 2015-20 in case of export decline is continuous over consecutive years, the base year for calculation of eligibility and calculation of reduction in AEO will be taken as the year after which exports have shown continuous decline and therefore base year for calculation to be taken as 2019-20.

The firm further stated that Para 5.19 provides relief to exporters of those sectors where total exports in that sector/product group has declined by more than 5% as compared to previous year.

Decision: The Committee decided to advise the party to approach RA concerned in respect of their request for re-fixation of their AEO in terms of provision of Public Notice No. 53/2015-20 dated 20.01.2023. RA may examine the request on merit.

Case No- 80: Meril Life Sciences Pvt. Ltd., Vapi

F. No. HQREPCGPRAPP00000411AM23

Subject: Request for condonation of delay in payment of fee for 10% excess duty saved amount within stipulated time against 9 EPCG Authorization nos. 5230008746 dated 28.04.2011, 5230009803 dated 29.11.2011, 5230009115 dated 29.06.2011, 5230009804 dated 29.11.2011, 5230009537 dated 06.09.2011, 5230009184 dated 12.07.2011, 5230010371 dated 08.05.2012, 5230015664 dated 08.12.2014 and 5230009868 dated 19.12.2011.

The firm has stated that they have fulfilled their EO against above EPCG Authorizations and they had submitted an application for EODC to RA, Surat. But, RA, Surat issued a D/L against 9 EPCG Authorizations and informed the applicant that the application fee for excess utilised of DSV of license did not pay the fee paid within the time period. Therefore, the RA advised him to approach the EPCG committee for condonation of delay in payment of fees.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 of FTP 2015-20** for condonation of procedural lapse of delay of more than a month in payment of fee for excess duty saved amount as envisaged in the Para 5.16(a) of HBP 2015-20, subject to payment of composition fee of Rs. 5000/- and to the condition that the excess utilization is not more than 10% of duty saved mentioned in the subject EPCG authorization.

This has the approval of DG, DGFT.

Case No- 81: Parekh Rice Industries, Chhattisgarh

F. No. HQRPRCAPPLY00003389AM23

Subject: Request for:

- i. 1st Block Extension
- ii. 2 years EOP Extension up to 05.02.2023 i.e. 8+2 years

In respect of EPCG Authorization No. 6330000119 dated 05.02.2013 under 03% Concessional Duty.

The applicant has obtained subject EPCG Authorization for duty saved value of Rs. 3,16,667.30 and EO worth US\$ 45810.82. The annual average of the past export performance is Rs. 0.00 as per the condition sheet.

The firm has stated that due to unawareness of policy provisions regarding the procedure for fulfilling EO they have missed to apply for block wise and EOP Extension within stipulated time period.

The firm further stated that they have new export orders to be fulfilled and are trying to apply for EOP Extension in EPCG portal. However the dept. is not accepting the applications and is raising deficiencies in application stating that it has not been made under stipulated time frame.

As per enclosed Rejection Letter issued by RA Nagpur to the firm, since their EOP already expired on 05.02.2021, hence their application for block-wise extension cannot be considered. In view of the same, it can be inferred that the firm has not taken block-wise extension.

Decision: In respect of 1st and 2nd request of the firm:

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

(a) Extension in block-wise EOP, as the 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 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- 82: Jagdambay Cotspin Limited, Patiala

F. No. HQREPCGPRAPP00000365AM23

Subject: Review application in respect to request for second EOP Extension up to 18.08.2023 i.e. **beyond 6+2 years** in respect of EPCG Authorization No. 3030011468 dated 19.08.2013 under 0% Concessional Duty.

Earlier the firm vide F. No. HQREPCGPRAPP00245668AM22 dated 09.11.2021 had requested for Second EOP Extension from 8th to 10th year for the above mentioned subject authorization. The case was considered in the 2nd EPCG Committee meeting of AM-23 held on 18.05.2022 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 from 8th to 10th year and accordingly, the committee decided to reject the request of the applicant.

Now, the firm vide application dated 15.07.2022 has requested for second EOP extension up to 18.08.2023 i.e. beyond 6+2 years in respect of EPCG Authorization No. 3030011468 dated 19.08.2013 under 0% Concessional duty. The firm has submitted the following:

The firm has stated that they couldn't fulfill 100% EO in stipulated and extended EOP due to adverse impact of Covid-19 on exports and have obtained 1st EOP extension from 6 to 8 years from RA. The firm has requested to impose the penalty on non fulfillment of conditions and allow regularization of extension in EOP for 2 years i.e. EOP from 8 years to 10 years up to 18.08.2023.

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

Case No- 83: Techno Springs India Pvt. Ltd, Faridabad

F. No. HQREPCGPRAPP00000355AM23

Subject: Request for Re-fixation of Average EO in respect of EPCG Authorization No. 0530162362 dated 20.02.2014 under 0% Concessional Duty.

The firm has stated that they had applied for re-fixation of AEO on 12.10.2021 to CLA New Delhi wherein they were advised to approach DGFT HQ for re-fixation of AEO. The firm has mentioned that the subject authorization was issued with AEO of Rs. 14.19 crores which was wrongly fixed and can be seen from attached list of exports.

The firm further stated that details of EPCG Authorization in hand or redeemed during the period should not have been considered and value should have been fixed accordingly after deducting FOB Value of exports under EPCG. The firm further stated that after considering all exports for years Average was never higher than Rs. 3,05,18,273 and there has been an error of understanding while calculating 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.

Case No- 84: Magnum Sea Foods Ltd., Bhubaneswar

F. No. HQREPCGPRAPP00000039AM23

Subject: Request for condonation for late submission of Installation certificate issued by Chartered Engineer against EPCG Authorization No. 2330001602 dated 11.04.2019 under 0% Concessional duty.

As per Installation certificate issued by Chartered Engineer on 13.11.2019, CG was imported on 17.07.2019, installed at the premises place on 08.11.2019. The firm has stated that they have fulfilled 100% EO even before the due period. The firm has also stated that they had obtained the installation certificate within 6 months from the date of import of the capital goods under the EPCG Scheme. However inadvertently, they missed to submit the same within due date to RA, Kolkata. RA, Kolkata issued a D/L dated 06.04.2022 informing the applicant as under:

“You have submitted application beyond time limit i.e. beyond 18 months from the date of import (bill of entry date is 17.07.2019). The installation certificate submitted on 07.3.2022. Hence, you are requested to inform whether you have submitted earlier in physical file, if not, you may approach to DGFT, New Delhi, for Condonation of delay in submission.”

Decision: The Committee deliberated upon the case and decided to forward the case to DoR since large number of cases are being received on this ground, feasibility of a general relaxation to such cases may be examined. The case was accordingly **deferred**.

Case No- 85: Abbott Healthcare Private Limited, Mumbai

F. No. HQREPCGPRAPP000000373AM23

Subject: Request for Condonation of delay in submission of Installation Certificate issued by Chartered Engineer due to delay in installation of Capital Goods in respect of EPCG Authorization No. 0330052759 dated 09.09.2020 under 0% Concessional Duty.

The firm has stated that they have imported packaging machine for manufacture of nutritional food products and supplements and the same was installed within 15th month from the date of import. The firm further stated that the Installation Certificate was submitted after 7 months from the date of installation of machine due to Covid-19 and In feed arrangement of pouch filler required re-work due to dimensional error and required correction and reinstallation. The firm has mentioned the following:

BOE Date	17.10.2020
Covid-19 pandemic related restrictions	20.02.2020 till 2021

Date of installation of CGs	01.01.2022 (15 th month)
Date of submission of IC at GST Authority	31.05.2022
Date of submission of IC at RA	21.07.2022

Decision: The Committee deliberated upon the case and decided to forward the case to DoR since large number of cases are being received on this ground, feasibility of a general relaxation to such cases may be examined. The case was accordingly **deferred**.

Case No- 86: Hemraj Industries Private Limited, Kolkata

F. No. HQREPCGPRAPP00000410AM23

Subject: Request for **Condonation of delay in submitting Installation Certificate issued by Chartered Engineer** in respect of EPCG Authorization No. 0230012655 dated 14.08.2017 under 0% Concessional Duty.

The firm has stated that due to Covid-19 Pandemic many of their office bearers were infected with Covid-19 and due to prevailing lockdown restriction imposed by the Government, they were unable to function and operate their office work as per usual schedule on full scale basis, owing to which many of the regulatory compliances (where physical work, submission, appearances were necessary) got unwillingly delayed, and they were compelled to restrict work virtually.

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- 87: Hemraj Industries Pvt. Ltd., Kolkata

F. No. HQREPCGPRAPP00000454AM23

Subject: Request for condonation for late submission of Installation certificate against EPCG Authorization No. 0230012725 dated 31.10.2017 under 0% Concessional duty.

The firm has stated that they could not submit installation certificate within time period due to Covid-19 Pandemic as well as lockdown. The firm has also stated that they were unable to function and operate their office work as per our usual schedule on full scale basis, owing to which many of the regulatory compliances due to the prevailing lockdown restriction imposed by the Government.

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- 88: AGL Polyfil Private Limited, West Bengal

F. No. HQREPCGPRAPP00000378AM23

Subject: Request for Allowing Similar Export Product i.e. “Polyester Staple Fibre” produced within same Plant & Machinery and Manufacturing Unit in terms of Para 5.4.1 of FTP 2009-14 in respect of EPCG Authorization No. 0230008443 dated 22.11.2012 under 0% Concessional Duty.

The firm has stated that they were issued subject authorization to export “Polyester yarn and Cotton yarn”. The firm further stated that due to reasons beyond their control, the machinery imported (second hand spinning unit) remained out of order since 2017 onwards and could not be revived to produce Export Quality material which led to exports of Polyester Yarn/ Cotton yarn produced from cotton/polyester fibre being completely stopped during 2017-18.

The firm further stated they pursued with their exports of “Polyester Staple Fibre” having a considerable demand in international market which was produced through same Plant and Machineries in the same manufacturing unit. The firm also stated that Polyester Staple Fibre is a down the line product manufactured in the same manufacturing line and then as a main raw material used to produce Polyester yarn. The firm mentioned that they have utilized the duty save value of Rs. 11946198.0 and have fulfilled 100% EO in stipulated time period of 6 years by manufacturing and exporting of “Polyester Staple Fibre”.

Decision: The Committee went through the statements made by the applicant and observed that there is no nexus of capital Goods with item “Polyester Staple Fibre “ and accordingly, the Committee decided to **reject** the request.

Case No- 89: AGL Polyfil Private Limited, West Bengal

F. No. HQREPCGPRAPP00000379AM23

Subject: Request for Allowing Similar Export Product i.e. “Polyester Staple Fibre” produced within same Plant & Machinery and Manufacturing Unit in terms of Para 5.4.1 of FTP 2009-14 in respect of EPCG Authorization No. 0230008630 dated 19.02.2013 under 0% Concessional Duty.

The firm has stated that they were issued subject authorization to export “Polyester yarn and Cotton yarn”. The firm further stated that due to reasons beyond their control, the machinery imported (Blowroom dust filtration continuous waste collection system for cards) remained out of order since 2017 onwards and could not be revived to produce Export Quality material which led to exports of Polyester Yarn/ Cotton yarn produced from cotton/polyester fibre being completely stopped during 2017-18.

The firm further stated they pursued with their exports of “Polyester Staple Fibre” having a considerable demand in international market which was produced through same Plant and Machineries in the same manufacturing unit. The firm also stated that Polyester Staple Fibre is a down the line product manufactured in the same manufacturing line and then as a main raw material used to produce Polyester yarn. The firm mentioned that they have utilized the duty save

value of Rs. 723013.0 and have fulfilled 100% EO in stipulated time period of 6 years with exports of “Polyester Staple Fibre”.

Decision: The Committee went through the statements made by the applicant and observed that there is no nexus of capital Goods with item “Polyester Staple Fibre “ and accordingly, the Committee decided to **reject** the request.

Case No- 90: Bio Med Health Care Products Pvt. Ltd., Haryana.

F. No. HQREPCGPRAPP00000001AM23

Subject: Request for:

- i. Acceptance of installation certificate issued by Customs Authority, EPC Faridabad after physical verification of CGs.
- ii. Condonation for shifting of CGs to another Unit against above EPCG Authorization in terms of Para 5.04 of HBP.

In respect of EPCG Authorization No. 0530164032 dated 19.12.2014 under 0% Concessional duty.

The firm has stated that CGs were installed in the factory premises at Plot no. 30 DLF Industrial Estate- 1, Faridabad, Haryana and installation certificate was obtained by them from independent Chartered Engineer within 6 months from the date of import CGs and Copies to the Installation Certificate were also sent to Jurisdictional Central Excise Authority for intimation/record in terms of Para 5.04 of HBP.

The firm thereafter shifted the CGs to their other unit located at 49/4, Mathura Road, Prithla, Palwal-121102, Haryana on 01.05.2015 and 16.08.2017, which was mentioned in the IEC and RCMC at the time of shifting the CGs. However, the firm did not obtain the fresh installation Certificate from Central Excise Authority in terms of Para 5.04 of HBP 2015-20. The firm has submitted that on the basis of verification of documents and verification conducted by EPC, Customs (Preventive), Faridabad on 18.01.2022 at their factory premises 49/4, Mathura Road, Prithla, Palwal-121102, Haryana, Department found that subject imported machines are installed in the said premises and Installation certificate was issued accordingly.

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- 91: Bio-Med Healthcare Products Pvt. Ltd., Faridabad

F. No. HQREPCGPRAPP00356423AM22

Subject: Request for condonation for late submission of Installation Certificate issued by Chartered Engineer against EPCG Authorization No. 0530174511 dated 12.06.2019 - reg.

As per Installation certificate issued by Chartered Engineer, only date of Inspection i.e. 02.07.2019 mentioned but not mentioned issue date of Installation certificate, CGs were imported on 19.06.2019 and installed at the premises on 27.06.2019. The firm has stated that they had fulfilled EO as well as AEO within the prescribed time and applied for redemption

against above EPCG Authorization to CLA, New Delhi on 27.12.2021. In response, CLA, New Delhi issued D/L dated 25.01.2022 and informing as under:

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

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

Decision: The Committee deliberated upon the case and decided to forward the case to DoR since large number of cases are being received on this ground, feasibility of a general relaxation to such cases may be examined. The case was accordingly **deferred**.

Case No- 92: Shyam Fibers, Maharashtra

F. No. HQRPRCAPPLY00003310AM23

Subject: Request for **Second EOP Extension for 1 year i.e. beyond 6+2 years without imposing any fee** in respect of EPCG Authorization No. 0330039503 dated 13.08.2014 under 0% Concessional duty

As per ANF-2D, the applicant has obtained subject EPCG Authorization for duty saved value of Rs. 15449340.8 worth US\$ 315159.86. The annual average of the past export performance is Rs. 0.00 as per the condition sheet.

The firm has stated that their EOP was extended up to 12.08.2022 i.e. from 6th to 8th year. The firm stated that they couldn't fulfill their 100% EO in stipulated and extended EOP due to global recession prevalent in textile industry, power crisis in Maharashtra, Covid-19 pandemic, financial crunch, non-availability of working capital and not having possession of their unit (entire unit along with machineries had been taken in possession by bankers from 28.10.2017 to 19.07.2022).

The firm mentioned that credit facilities were classified as NPA by the bank on 14.09.2017, e-auction date of properties was fixed of 15.03.2018 and possession of the unit was taken over on 28.10.2017. The firm further mentioned that quashing of possession notice by Debts recovery tribunal held on 30.10.2018 and the possession of the unit by the bank was relinquished in June-July 2022.

The firm further stated that the bank is releasing the possession of capital goods and they intend to complete the EO and hence require further 1 year of extension.

Decision: The Committee decided to advise the party to approach RA concerned in respect of their request for extension in EOP in terms of provision of Public Notice No. 53/2015-20 dated 20.01.2023. RA may examine the request on merit.

Case No- 93: Budge Budge Company Ltd, Kolkata

F. No. HQREPCGPRAPP00000339AM23

Subject: Request for 1 year EOP Extension from the date of endorsement in respect of following 3 EPCG Authorizations under 03% Concessional Duty:

- 0230008635 dated 21.02.2013
- 0230008563 dated 21.01.2013
- 0230008564 dated 21.01.2013

As per ANF-2D, the firm has not availed any EOP Extension yet for above mentioned 3 EPCG Authorizations. The firm has also stated that they have not availed any relaxation from DGFT during Covid-19 period. The firm has stated that they were unable to fulfill their 100% EO in stipulated time period due to:

- Lack of export orders
- Global Recessions
- Covid-19 pandemic

The firm has stated that they will be able to fulfill 100% EO if extension is provided for 1 year from the date of endorsement for the above mentioned EPCG Authorizations as they already have the purchase order in hand to fulfill pending EO.

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

Case No- 94: MA Lakshmi Agro Products , Burdwan (West Bengal)

F. No. HQREPCGPRAPP00000327AM23

Subject: Request for **Extension of 1st Block** in respect of EPCG Authorization No. 0230009430 dated 28.03.2014 under 0% concessional duty.

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

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 of FTP, 2015-20** to allow extension in block-wise EOP, as the 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 following condition :-

- a. The proper installation certificate has been submitted within time limits as specified in FTP/HBP.

This has the approval of DG, DGFT.

Case No- 95: Mani Textile, Kolkata

F. No. HQREPCGPRAPP00000051AM23

Subject: Request for **EOP extension for 2 years from 31.12.2021 to 31.12.2023** in respect of EPCG Authorization No. 0230009858 dated 30.10.2014 under 0% Concessional duty.

The applicant has stated that they could not complete 100% EO within the extended time period due to the unfavorable market situation of the Textiles sector. The firm has requested for extension of EOP for 2 years i.e. up to 31.12.2023 since the initial EOP expired on 31.12.2021 as per DGFT Notification No. 28/2015-2020 dated 23.09.2021 and they can fulfill EO with 25% enhancement (20% enhancement as per Para 5.11 of HBP (2009-14) + 5% enhancement as per Notification No. 28/2015-2020 dated 23.09.2021, within extended EOP.

Decision: The Committee decided to advise the party to approach RA concerned in respect of their request for extension in EOP in terms of provision of Public Notice No. 53/2015-20 dated 20.01.2023. RA may examine the request on merit.

Case No- 96: Hotel Highlands Park, Gulmarg (J& K)

F. No. HQRPRCAPPLY00002200AM23

Subject: Request for condonation of condition of AEO against EPCG Authorization No. 5530000003 dated 01.11.2013 under 0% Concessional duty.

The applicant has stated that they have completed their obligation within the stipulated time limit. Their total Foreign Exchange earnings till 30.11.2019 are USD 1,79,320.67 and EUR 2402 equivalent to Rs 1,17,93,624.35. However, they were unable to maintain AEO of INR 19,00,516.33 per year till the fulfillment to the obligation.

The reasons submitted by the applicant for the shortfall in the annual average earnings has been caused due to the current prevailing unrest in J&K. Foreign tourist numbers lessened first due to the unprecedented floods of 2014 which were declared a national disaster by the Government and after that due to the turmoil of 2016. Various foreign nations have issued advisories against travelling to J&K, therefore, tourists arrival has become very erratic. Therefore, they managed to earn Foreign exchange income but they were unable to maintain a constant annual average. The firm has attached a copy of year-wise statement of foreign exchange earnings by them.

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

Case No- 97: Bajrang Cotton Pvt. Ltd., Indore

F. No. HQRPRCAPPLY00002885AM23

Subject: Request for:

- i. **Extension of 1st block**
- ii. **EOP for 2 years (i.e. from 8 years to 10 years)**

In respect of EPCG Authorization No. 5630000097 dated 09.07.2012 under 03% Concessional duty.

The applicant has stated that due to their unawareness of the policy provisions regarding the procedure for fulfilling EO they have missed to apply for block wise extension and EOP extension within the stipulated time period. At Present, they have new export orders to be fulfilled and they are trying to apply for EOP extension in the EPCG portal but have not been successful.

The applicant has submitted that DGFT has given relaxation in time period for applying for block-wise extension by paying Condonation fee through various Public Notices.

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

- (a) Extension in block-wise EOP, as the 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 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- 98: Shri Maa Polyfabs Limited, West Bengal
F. No. HQREPCGPRAPP00000389AM23

Subject: Request for:

- i. **6 months of automatic EOP Extension in view of P.N. 67 dated 31.03.2020**
- ii. **2nd EOP Extension for 2 years i.e. beyond 6+2 years**

In respect of EPCG Authorization No. 0230009500 dated 08.05.2014 under 0% Concessional Duty.

The firm has stated that they completed 56.95% of EO in stipulated time period and were unable to fulfill remaining EO due to Covid-19 pandemic. The firm has stated that as their license expired between 01.02.2020 and 31.07.2020 they were eligible for automatic EOP extension in view of P.N. 67 dated 31.03.2020 wherein they didn't receive it from RA concerned. Hence the firm has requested for 6 months EOP Extension in view of P.N. in view of P.N. 67 dated 31.03.2020. The firm has also requested for EOP Extension for 2 years from above mentioned extended EOP in view of Covid-19 pandemic, weak financial position, logistics restrictions, vulnerability of foreign buyers, lockdowns and loss of export orders.

Decision:

In respect of request for EOP Extension up to 31.12.2021:

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

In respect of request for EOP Extension up to 31.12.2023:

The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 of FTP, 2015-20** to allow condonation of delay in approaching RA for EOP extension for 2 years (from 6 yrs to 8 yrs) i.e. up to 31.12.2023 (subsequent to they get EO extension up to 31.12.2021 as per DGFT's Public Notice No. 67 dated 31.3.2020 and Notification No. 28/2015-2020 dated 23.09.2021) 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.

Case No- 99: JK Hitech Rice Mill Private Limited, Patna

F. No. HQREPCGPRAPP00000359AM23

Subject: Request for 1st Block Extension in respect of EPCG Authorization No. 2130000188 dated 11.06.2014 under 0% Concessional Duty.

The applicant has obtained subject EPCG Authorization for duty saved value of Rs. 1896095.47 and EO worth US\$ 189294.05. The annual average of the past export performance is Rs. 0.00 as per the condition sheet. The firm has stated that they couldn't fulfill their 50% of EO in the 1st Block of 4 years due to unavoidable reasons. The firm has requested for 1st Block Extension which they can avail from RA Kolkata after payment of necessary composition fees as per EXIM policy.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 of FTP, 2015-20** to allow extension in block-wise EOP, as the 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- 100: Ginni Filaments Ltd., Noida

F. No. HQREPCGPRAPP00000055AM23

Subject: Request for condonation/regularization of Para 5.16 of HBP 2015-20 against EPCG Authorization no. 0530171636 dated 12.01.2018 under 0% concessional duty :

- i. Utilization of duty saved amount beyond 10% without prior approval, as Para 5.16(16) of HBP 2015-20.
- ii. Delay in submission of additional/enhancement fee for excess utilization of the EPCG authorization, as required by Para 5.16(a) of HBP 2015-20.

The applicant has made following requests for condonation/regularization of Para 5.16 of HBP 2015-20 against EPCG Authorization no. 0530171636 dated 12.01.2018 under 0% concessional duty :

- i. Utilization of duty saved amount beyond 10% without prior approval, as Para 5.16(16) of HBP 2015-20.
- ii. Delay in submission of additional/enhancement fee for excess utilization of the EPCG authorization, as required by Para 5.16(a) of HBP 2015-20.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 of FTP 2015-20** for condonation of procedural lapse of delay of more than a month in payment of fee for excess duty saved amount as envisaged in the Para 5.16(a) of HBP 2015-20, subject to payment of composition fee of Rs. 5000/- as the excess utilization is 10.09% of duty saved mentioned in the subject EPCG authorization.

This has the approval of DG, DGFT.

Case No- 101:Kodas Textile, Surat

F. No. HQREPCGPRAPP00000335AM23

Subject: Request for regularization of excess duty credit utilized on EPCG Authorization No. 5230013927 dated 24.04.2014 under 0% Concessional duty.

The applicant has stated that they have completed their EO and applied for EODC to RA, Surat. The firm has also stated that they have also paid for the additional charges utilized and informed the same to the RA. However, RA, Surat issued a D/L dated 31.05.2022 against their application for EODC and intimated them as under: "Since excess duty saved value is utilized you are requested to get it regularized from EPCG Committee, New Delhi."

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 of FTP 2015-20** for condonation of procedural lapse of delay of more than a month in payment of fee for excess duty saved amount as envisaged in the Para 5.16(a) of HBP 2015-20, subject to payment of composition fee of flat Rs. 5000/- and to the condition that the excess utilization is not more than 10% of duty saved mentioned in the subject EPCG authorization.

This has the approval of DG, DGFT.

Case No- 102: Print Point India Private Limited, Bangalore

F. No. HQREPCGPRAPP00000363AM23

Subject: Request for 1st Block Extension due to exports made in 2nd Block in respect of EPCG Authorization No. 0730012346 dated 07.05.2013 under 0% Concessional Duty.

The applicant was issued D/L on 22.08.2022 as their request was not clear and was requested to submit self explanatory Covering Letter for further processing of the application. The applicant has obtained subject EPCG Authorization for duty saved value of Rs. 2669274.64 and EO worth US\$ 293865.09. The annual average of the past export performance is Rs. 2529906.00 as per the condition sheet.

Applicant stated that they couldn't fulfill their 50% EO in 1st Block in stipulated time period as they couldn't allot 1st Block performance of subject authorization and instead allotted it to 4 EPCG Authorizations which are redeemed.

Applicant further mentioned that entire EO has been fulfilled in 2nd block. The firm has requested for the same considering their past performance to exchequer and the contribution made to pharmaceutical industries.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 of FTP, 2015-20** to allow extension in block-wise EOP, as the 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 following condition:-

- a. The proper installation certificate has been submitted within time limits as specified.

This has the approval of DG, DGFT.

Case No-103: Helly Knit Fab, Ludhiana

F. No. HQREPCGPRAPP00000390AM23

Subject: Request for 1 year EOP Extension up to 13.09.2023 i.e. for 10+1 years in respect of EPCG Authorization No. 3030010099 dated 13.09.2012 under 03% Concessional Duty.

As per License Amendment Sheet, EOP has been changed from 8 years to 10 years. The applicant further stated that they couldn't fulfill 100% EO in stipulated and extended EOP i.e. up to 12.09.2022 due to Covid-19 pandemic, 90% labor leaving the factory and refusal of export orders by overseas buyers. The applicant further stated that they have decided to fulfill remaining EO as per Para 5.10 through third party of HBP 2015-20.

Decision: Decision: The Committee decided to advise the party to approach RA concerned in respect of their request for extension in EOP in terms of the provisions of Public Notice No. 53/2015-20 dated 20.01.2023. RA may examine the request on merit.

Case No- 104: Parayil Agro Foods Private Limited, Coimbatore

F. No. HQREPCGPRAPP00000400AM23

Subject: Request for

- i. EOP Extension i.e. 6+2 years
- ii. Condonation of delay in installation of Capital Goods to be done on or before 31.12.2022 .

In respect of EPCG Authorization No. 3230022294 dt. 21.05.2015 under 0% Concessional Duty.

The applicant has stated that they obtained subject EPCG License for import of insulated Refrigeration Panels imported and cleared vide BE No. 9525042 dated 10.5.2015. The firm further stated that it faced following technicalities due to which Installation of Capital Goods couldn't be done in stipulated time period. The applicant further mentioned that they requested RA Coimbatore for 2 more years for installation of the imported goods and for another 2 years to fulfill the EO in view of the technicalities and Covid-19 pandemic on 20.04.2020, 08.06.2022 and 05.07.2022 wherein RA vide their letter dated 18.05.2022 and 21.07.2022 rejected the request and directed to pay the duty with interest to regularize the case stating that that they have no power to grant extension of time for installation of Capital Goods.

The applicant also mentioned that the construction work of the unit is progressing and steps are being taken to install the capital Goods and start production on or before 31.12.2022 and to fulfill the EO at the earliest.

Decision:

In respect of 1st request of the firm,

The Committee deliberated upon the case and decided to advise the authorization holder We may advise party to approach RA concerned interms of relaxations provided vide Public Notice No-3 dated 13.04.2022.

In respect of 2nd request of the firm:

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- 105: Desai Foods Private Limited, Pune

F. No. HQRPRCAPPLY00003303AM23

Subject: Request for Second EOP Extension for 2 years i.e. beyond 6+2 years in respect of EPCG Authorization No. 1130002612 dated 28.06.2013 under 0% Concessional Duty.

The applicant has stated that M/s Amarkantak Foods Pvt. Ltd (AFPL) merged with the applicant company M/s Desai Foods Private Limited (DFPL) as per the National Company Law Tribunal Order. The firm stated that EPCG License was issued to AFPL and after necessary

amendments in IEC and transfer of EPCG Authorization to DFPL RA concerned approved the file on 24.06.2022. The firm further stated that after approval they initiated exports and completed EO. The applicant also stated that they couldn't fulfill 100% EO in stipulated and extended time period due to delay in passing of order from NCLT authority and Covid-19 pandemic.

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- 106: Voltech Engineers Private Limited, Chennai

F. No. HQREPCGPRAPP00397819AM22

Subject: Request for Condonation of Late Submission of Installation Certificate issued by Chartered Engineer in respect of EPCG Authorization No. 0430014909 dated 06.08.2015 under 0% Concessional Duty.

The applicant has further stated that they had submitted the Installation Certificate intimation letter addressed to Asst. Commissioner of Customs, EPCG Section Chennai Airport Cargo Complex, Chennai on 01.08.2016 and the same was acknowledged. The firm further stated that EO more than 100% was fulfilled in stipulated time period by providing services to foreign clients and had submitted the application for redemption on 21.10.2021 but had not submitted Installation Certificate to RA Chennai within specified time due to unawareness of policy and procedures.

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- 107: Balkrishna Industries Ltd,

Mumbai F.No. HQREPCGPRAPP00158886AM22

Subject: Request for condonation of delay in the installation of the capital goods beyond the stipulated period up to 06.08.2022 in respect of EPCG Authorization No.0330051597 dated 04.10.2019.

The applicant has stated that As per said authorization, they have procured the Capital Goods namely "Small Chemical Weighing System with Auto Bag Management for Master Batch" vide Bills of Entry dated 07.02.2020.

The applicant has further stated that they could not install the CGs within six months from the date of BoE 07.02.2020. The said Capital Goods were to be installed latest by 06.08.2020. But due to Covid-19 Pandemic gripped the country and travels were banned visit of the engineer to the site got delayed they could not install the CGs within the prescribed time period. They had requested RA Mumbai for an extension of 12 months i.e. up to 06.08.2021. However, their request is still pending with RA, Mumbai. Meanwhile, the first extension period of 12 months has expired on 6.8.2021. As regards, granting 2nd extension in the installation of CGs, it is not in the jurisdiction of RA. Hence, the firm has requested the EPCG Committee to grant an extension in the installation of CGs for a period up to 06.08.2022. The matter was

examined by EPCG Committee in its meeting held on 11.03.2021 and the Committee decided to call for a report from RA before taking a decision in the matter and deferred the case.

“In this case, as per Minutes of 8th Meeting of AM 22 of the EPCG committee held on 10.77.2027 wherein Hqrs have deferred the case to Mumbai RA calling detailed report for condonation of delay the installation certificate of the CG beyond the stipulated period. In this case as per Bill of Entry No. 6799560 dtd 07.02.2020, firm had to be install the CG by 06.08.2020 but due to covid-19 situation they were unable to install within stipulated time period as per Para 5.0a (a). They have requested this office on 31.08.2020 for extension for another 12 months i.e. 06.08.2021 and paid composition fees of Rs 5000/- vide Ecom Ref- No. AAACB333J000699877L and the same has been accepted by this office as per Para 5.04 (a) and granted extension of 12 months vide letter dated. 15.09.2020 i.e. up to 06.08.2021. Further, they have applied for 2nd extension for Installation of CG to Hqrs. & Hqrs are requested to submit a report for considering their request of 2nd Extension for installation.”

Decision: The Committee deliberated upon the case and decided to call for a report from RA regarding date of Submission of Installation certificate to RA.

Case No- 108: Jaydee Fabrics Ltd., Ludhiana

F. No. HQREPCGPRAPP00291466AM22

Subject: Request for Extension of EOP up to 16.09.2023 i.e. beyond 6+2 years in respect of EPCG Authorization No. 3030011608 dated 17.09.2013 under 0% Concessional duty.

The applicant stated that they could not fulfill 100% EO within the extended time period i.e. 16.09.2021 due to Covid-19 pandemic and non-receipt of new orders as well as no foreign buyers were placing orders. Therefore, the firm has requested for extension of EOP for two years i.e. up to 16.09.2023 in order to fulfill their EO against the above authorization. As per amendment sheet issued by RA, Ludhiana on 29.05.2020, EOP has been changed from 6 years to 8 years.

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

Case No- 109: Shiva Fibres Private Limited, Ludhiana

F. No. HQREPCGPRAPP00322962AM22

Subject: Request for forgoing enhanced EO portion by paying enhancement fee @ 2% for 2nd Block in respect of EPCG Authorization No. 3030011687 dated 01.10.2013 under 0% Concessional duty.

The applicant has stated that their EO stands fulfilled 100% within enhanced EOP but while applying for extension of 2nd Block, their EO was enhanced by 20% in March 2020 whereas as per Public notice No. 01 dated 18.04.2013, RA should have enhanced it by 10%. The

firm further stated that as they had sufficient orders in hand they opted for enhancement of EO rather than paying extension fees.

Decision: The Committee deliberated upon the case and decided to **remand** the case to RA to examine as per the Policy provision and if there is any difficulty in accepting the request of the applicant, same may be communicated to EPCG division of HQs.

Case No- 110: Aurobindo Pharma Ltd., Hyderabad

F. No. HQREPCGPRAPP00373813AM22

Subject: Request for **transfer of EPCG Authorization from M/s. Aurobindo Pharma Ltd. to M/s. Auro Vaccines Pvt. Ltd on account of Business transfer Agreement (BTA)** in respect of 8 EPCG Authorization under 0% Concessional duty:

- i. 0930013713 dated 26.07.2018
- ii. 0930013799 dated 03.10.2018
- iii. 0930013828 dated 08.11.2018
- iv. 0930014000 dated 14.03.2019
- v. 0931000313 dated 09.02.2021
- vi. 0931000484 dated 12.03.2021
- vii. 0931000812 dated 11.05.2021
- viii. 0931001705 dated 11.10.2021

The applicant has stated that Aurobindo Pharma Ltd. and M/s. Auro Vaccines Pvt. Ltd. (a 100% subsidiary of Aurobindo Pharma Ltd.) has executed a Business Transfer Agreement (BTA) on 1st January 2022. As per Business Transfer Agreement, Aurobindo Pharma Ltd. had transferred its business undertaking in according to its own and operating vaccine development unit which is located at Survey No. 69,70,71 & 72, Indrakaran Village, Kandi Mandal, Sangareddy Dist -502203, Telangana including the sale assets and Sale Liabilities, contracts, employees and Licenses etc. On slump sale (as contemplated under Section 50 B read with Section 2(42 C) of the Tax Act) to Auro Vaccines Private Ltd.

Applicant has further stated that they had obtained Eight EPCG Authorizations for a Duty Saved Value of Rs. 29,39,14,175/-. The reason for transferring the above EPCG authorization of M/s Aurobindo Pharma Ltd., is to concentrate on Vaccine Development business separately (in a separate wing), and also compete in the Covid-19 pandemic time and International Market, decided to transfer to M/s Auro Vaccines Pvt. Ltd., which is a 100% subsidiary company of Aurobindo Pharma Ltd.

The matter was examined on file. Accordingly, the firm was requested to approach RA to avail benefits under DGFT Public Notice 03/2015-20 dated 13.04.2022.

Now, the applicant has vide e-mail dated 14.11.2022 stated that Public Notice 03/2015-20 dated 13.04.2002 is not applicable in their case. The firm has also stated that a similar case of the firm was approved by the EPCG committee.

Decision: Decision: The Committee deliberated upon the case and decided to **recommend to DG for relaxation under Para 2.58 of FTP, 2015-20** to accept transfer of the EPCG authorizations to M/s. Auro Vaccines Pvt. Ltd. subject to the following conditions:

- Average EO (AEO) shall be re-fixed by adding AEO of M/s. Auro Vaccines Pvt. Ltd. for same and similar products on date of acquisition.
- M/s. Auro Vaccines Pvt. Ltd. also shall complete necessary Bond formalities as may be required with the Customs authorities for fulfillment of EO.

This has the approval of DG, DGFT.

Case No- 111: KDDL Limited, Bengaluru

F. No. HQREPCGPRAPP00000305AM23

Subject: Request for Condonation for delay in submission of Installation Certificate issued by Chartered Engineer in respect of EPCG Authorization No. 0730018218 dated 04.02.2019 under 0% Concessional Duty.

The applicant has stated that they had imported Kent Brand Surface Grinder and installed the machinery in their factory on 16.09.2019. The firm further stated that they had installed the capital goods within 6 months from the date of import and obtained the Installation Certificate from Chartered Engineer on 20.09.2019.

The applicant further stated that they couldn't submit the Installation Certificate under stipulated time period to RA concerned due to change in staff during that period wherein the Installation Certificate remained in their file. The firm has stated to submit the subject Installation Certificate with payment of Condonation fees.

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- 112: Supertech Fabrics Private Limited, Vadodara

F. No. HQREPCGPRAPP00000328AM23

Subject: Request for Condonation of Delay in submission of Installation Certificates issued by Chartered Engineer in respect of EPCG Authorization Nos. 3430002867 dated 12.05.2016 and 3430002861 dated 03.05.2016 under 0% Concessional Duty.

The applicant has stated that they had imported Multifunctional Laminated Machine, Coating Machine (for PTFE Coating, Silicone/ Paper/ Composite) and Heat Sealing Machine but the Chartered Engineer noticed the problems in the mentioned machinery. The applicant further stated that the Chartered Engineer called upon technicians for above mentioned problems who visited in May 2017 and completed technical faults which led to late installation of machineries.

The firm stated that they received the Installation Certificates in delay in May 2017 which further led to delay in its submission. RA Vadodara has issued Deficiency Letters to the firm stating that their request for Block wise extension cannot be accepted as Installation Certificate has not been submitted within time limits as per FTP/HBP as mentioned in PRC minutes.

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- 113: Sri Gobinda Knitwear, Kolkata

F. No. HQREPCGPRAPP00000333AM23

Subject: Request for 1st Block Extension in respect of EPCG Authorization No. 0230009872 dated 11.11.2014 under 0% Concessional Duty.

The applicant has stated that they imported Capital Goods under the EPCG scheme with an obligation to export 6 times of the duty saved in 6 years. The firm further stated that they could not fulfill their 50%EO in stipulated time period of 1st 4 years due to the unfavorable market situation of the Textiles sector and have hence requested to issue necessary order for Block wise waiver so that they can get the Block-wise extension from RA Kolkata after payment of composition fee.

Decision: The Committee deliberated upon the case and decided to **recommend to DG for relaxation under Para 2.58 of FTP 2015-20** to allow extension in block-wise EOP, as the firm could not apply to RA within the prescribed time period. This shall be subject to payment of 2% composition fee on duty saved amount in proportion to the shortfall at the end of each block in terms of the provisions of Para 5.8.3 of HBP 2009-14 and late fee of Rs. 10,000/-.

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

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

This has the approval of DG, DGFT.

Case No- 114: Shyam Plastic Industries, Bahadurgarh

F. No. HQRPRCAPPLY00002647AM23

Subject: Request for

- i. Accepting 3rd Party Exports made by them without mentioning their EPCG Authorization No. and Name on Shipping Bills
- ii. 2 years EOP Extension i.e. 6+2 years

In respect of EPCG Authorization No. 3330002729 dated 04.02.2013 and 3330002768 dated 04.03.2013 under 0% Concessional Duty.

The applicant has stated that they had not submitted necessary documents along with their application and the same was requested to submit from them vide D/L dated

13.07.2022(Please find attached). The applicant has obtained subject EPCG Authorizations for duty saved value of Rs. 3900635.0 and Rs. 2044627.0 and EO worth US\$ 423215.37 and US\$ 222040.94 respectively. The annual average of the past export performance is Rs. 0.00 as per the condition sheet of both authorizations. In reply to D/L, the firm has stated that they have not availed EOP Extension yet for 6+2 years for both the authorizations.

The firm has stated that they are into manufacturing footwears. The firm further stated that because of new entrants they couldn't follow the documentation procedure such as 3rd party exports documentation to qualify exports towards EO during 2013-18 and supplied goods manufactured by them to 3rd party exporter who further exported them. The firm stated that they couldn't fulfill their 100% EO in stipulated time period due to:

- Their unit faced a fire incident in 2019 and 2021 and it took nearly a year to rebuild their manufacturing unit and restart production.
- Covid-19 pandemic with loss of their active partner
- Farmers agitation which blocked their approach area in Bahadurgarh where their unit is located.

Decision:

In respect of 1st request of the firm,

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.

In respect of 2nd request of the firm,

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 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 condition:-

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

This has the approval of DG, DGFT.

Case No- 115: Concept Clothing, New Delhi

F. No. HQREPCGPRAPP00000320AM23

Subject: Request for Condonation of delay in late submission of Installation Certificate issued by Chartered Engineer in respect of EPCG Authorization No. 0530169294 dated 26.12.2016 under 0% Concessional Duty.

The applicant has stated that due to rush of work and escape of attention they couldn't submit the Installation Certificate in stipulated time as per Para 5.04 of HBP 2015-20. The firm

farther stated that the machines were installed and Installation Certificate was obtained and stipulated time period. CLA New Delhi has issued a D/L dated 13.12.2021 to the firm stating that they have not installed Installation Certificate in terms of Para 5.04 of HBP 2015-20 and are hence advised to approach EPCG Committee, DGFT for condonation of the same.

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- 116: Rukshmani Syntex Private Limited, Mumbai

F. No. HQRPRCAPPLY00386742AM22

Subject: Review application for Acceptance of Installation Certificate issued by Chartered Engineer instead of Central excise in respect of 10 EPCG Authorizations under 03% Concessional Duty:

- i. 0330022437 dated 12.02.2009
- ii. 0330026697 dated 27.07.2010
- iii. 0330029062 dated 23.03.2011
- iv. 0330029451 dated 12.05.2011
- v. 0330030091 dated 21.07.2011
- vi. 0330031894 dated 15.02.2012
- vii. 0330033394 dated 08.08.2012
- viii. 0330034690 dated 01.01.2013
- ix. 0330034689 dated 01.01.2013
- x. 0330035365 dated 19.03.2013

Earlier the firm vide application no. HQREPCGPRAPP00111593AM22 dated 14.06.2021 had requested for acceptance of Installation Certificate issued by Chartered Engineer instead of Central Excise in respect of above mentioned 10 EPCG Licenses. The firm had further stated that they have completed the EO and had submitted redemption application to RA, Mumbai wherein RA issued D/L dated 04.11.2020 and 03.11.2020 for furnishing installation certificate issued by Central Excise Authority.

The case was considered in the 4th EPCG Committee meeting of AM-22 held on 15.09.2021 wherein the Committee observed that there is no provision in FTP, 2009-14 for submission of Installation Certificate from Chartered Engineer and hence, the Committee decided to reject the case as there was no merit in the request.

Now the firm has stated that they failed to obtain Installation Certificate from Jurisdictional Central Excise Authority and that their company is registered with Central Excise but falls under the exempted category. The firm further stated that earlier policy allowed unit not registered with Excise to obtain Chartered Engineer Certificate and the current FTP also allows the authorization holder to produce the Installation Certificate from Jurisdictional Customs Authority or an independent Chartered Engineer at the option of the authorization holder.

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- 117: Amit Pomeg-Tech Private Limited Mahesana (Gujarat)

F. No. HQREPCGPRAPP00401734AM22

Subject: Request for extension of EOP for two years from 23.11.2021 to 23.11.2023 in respect of EPCG Authorization No. 0830003226 dated 23.11.2009 under 3% Concessional duty - reg.

The firm has requested for extension of EOP for 2 years till 23.11.2023 based on the following grounds:-

- i. Para 5.11 of FTP 2009-2014 empowers power to concerned RA to grant extension wherein the extension shall be for a maximum period of 2 years.
- ii. Para 5.11.3 of FTP provides for automatic extension of EOP in the event of any Ban/Restriction imposed on Exports of any Product and such Export Products would stand automatically extended for a period equivalent to duration of such ban without any composition fee and the exporter would not be required to maintain Average EO for the ban period.
- iii. The Hon'ble Supreme Court in its Suo Moto Writ Petition dated 23.03.2020 has extended the period irrespective of the limitation prescribed under the general law or Special Laws whether condonable or not shall stand extended and excluded from 15.03.2020 till 28.02.2022.
- iv. During the ongoing Covid-19 Pandemic the Government has banned the export of products and further many countries have restricted the import of goods except of essential goods. Every business was on hold which has affected the world economy. No new orders were received & hence the export could not be made further EO could not be mitigated. But since the things are normalized now and we have started receiving new orders.
- v. The nature of business is to extract juices from fruits and the Industry depends on Agro-products the availability of raw materials is seasonal in nature. So, the Production, Demand, Supply of raw material and final Product vary throughout the year.

Decision: The Committee deliberated upon the case and observed that EO period given is 12 years in terms of EO for agri items. Committee decided to **recommend to DG for relaxation under Para 2.58 of FTP, 2015-20 to allow** condonation for delay in approaching RA for EOP extension for 2 years (from 12th year to 14th 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 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- 118: Diamond Engineering (Chennai) Pvt. Ltd, Kancheepuram

F. No. HQRPRCAPPLY00192290AM22

Subject: Request for re-fixation of Annual Average EO- EPCG Authorization No. 0430016389 dated 27.12.2016 under 0% Concessional duty - reg.

The applicant has stated that they have been advised to regularize the case of not maintaining annual average for 2 years (i.e. AM17 & AM18) and instructed us to pay the duty plus interest thereof. The applicant has submitted that at the time of application for EPCG authorization, the annual average value of export for 3 years was calculated as 184.43 crs and at the time of applying for EPCG redemption, the annual average value of export has been calculated as 117.21crs.

Further, there is a decline in maintaining Annual average value of export is calculated as 36.45% mainly caused by severe competitions prevailing all over the World in the Engineering sector. During the Financial year 2016-17 & 2017-18, their production was severely affected due to illegal strike of the Workman at our factory premises resulting in one of their Foreign Customer M/s. Dangote Industries, Nigeria cancelled 1000 Crs worth about of export orders.

The matter was considered in the 4th EPCG Committee Meeting of AM-23 held on 03.06.2022 wherein Committee deliberated upon the case and decided to **defer** the case for further examination.

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- 119: M.D.J.Texco Fab Private Limited, Karnal
F. No. HQRPRCAPPLY00182929AM22

Subject: Request for extension in EOP in respect of EPCG authorization No. 3330003188 dated 21.02.2014 under 0% Concessional duty - reg..

The applicant has stated that have obtained the license for export of Blankets. But due to non availability of export orders they could not make any export. Now they are selling products to an exporter who is regularly exporting the goods manufacturer by them. The exporter has sufficient export orders to make export and complete their EO. Due to lack of policy knowledge regarding third party export they could not get mentioned the license detail in shipping bill while they are supplying their goods from a long period. Now they have a chance to complete the EO.

The applicant has not submitted relevant documents with the application. If approved, we may request the applicant to submit copies of EPCG authorization and installation certificate.

It was decided that before considering the case in the EPCG Committee meeting, a copy of the ECG authorization along with the installation certificate may be called from the applicant. Accordingly, applicant was requested vide letter dated 06.09.2022 to send a copy of the ECG authorization along with the installation certificate

Decision: The Committee decided to advise the party to approach RA concerned in respect of their request for extension in EOP in terms of provisions of Public Notice No. 53/2015-20 dated 20.01.2023. RA may examine the request on merit.

Case No- 120: Raj Chopra & Company Pvt. Ltd., New Delhi

F. No. HQREPCGPRAPP00138945AM22

Subject: Request to condone the subject EPCG Authorization No. 0530159857 dated 30.11.2012 and amend the same for

- (i) Change in the name of company from “Competent Construction Company” to “Raj Chopra & Company Pvt. Ltd w.e.f. 26.10.2013, the date on which the Sale Deed is executed
 - (ii) Change in IEC No. 0510044000 to IEC No. 0513088555 upon merger/subsumed of Proprietorship Company into Pvt. Ltd Company and
- i. Allow fulfillment of EO by new company namely M/s. Raj Chopra & Company Pvt. Ltd having IEC No. 0513088555 w.e.f. 26.10.2013.

The firm has informed that it has obtained the EPCG Authorization No. 0530159857 dated 30.11.2012 in the name of “M/s Competent Construction Company” (a Proprietorship Company), having IEC No. 0510044000. The name of the Proprietor is Shri Raj Chopra. The Firm was setting up a 5 star Category hotel project (Hereinafter referred to as “The Project”) at Mussoorie (Uttarakhand) and the land on which the project was being constructed was in the name of Proprietor i.e. Shri Raj Chopra for which EPCG Authorization was obtained. As the capital outlay for setting up the Project required a huge sum of money and the Project was under the ambit of Proprietorship Company, it became difficult for the Firm to gather funds from its own sources in order to complete the project. The Bank also denied giving a huge sum of loan as the Firm was a Proprietorship Company. The firm was advised to constitute a Private Limited Company by merging/ subsuming the current Proprietorship Company’s Hotel Project business i.e. M/s Competent Construction Company.

Thereafter it approached, Registrar of Companies (RoC), New Delhi and submitted Memorandum & Articles of Association of newly formed company i.e. M/s Raj Chopra & Company Pvt Ltd. The shareholding in this newly formed company in which Shri Raj Chopra (Prop. of M/s Competent Construction Company) was Director and is holding 98% of the Shares. Ministry of Tourism also granted Project Approval Certificate for change to new promoter/new constitution of the Hotel project to M/s Raj Chopra & Company Pvt Ltd..

The firm has further informed that the mere act of subsuming/ merger/acquire/taking over of Hotel Project of a Proprietorship by a Pvt Ltd Company (especially when Proprietor of a company is holding 98% of shares in Pvt. Ltd Company) would not amount to outright sale/slump sale. During this period, the company has sought all approvals of Hotel Project in new entity’s name. The Firm also states that it did not have an idea that the request for change in the name of company as well as IEC on subject EPCG Auth. has to be made to this Directorate as well and have requested to condone the same. The firm has fulfilled the EO against the EPCG Authorization No. 0530159219 dated 07.09.2012 and applied for EODC. CLA, New Delhi has advised it to approach EPCG Committee of this Directorate for condonation of case.

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- 121: Amir Chand Jagdish Kumar (Exports) Limited, Gurugram
F. No. HQREPCGPRAPP00000032AM23

Subject: Request for condonation for late submission of Installation certificate issued by Chartered Engineer against EPCG Authorization No. 0530166509 dated 10.12.2015 under 0% Concessional duty - reg.

The firm has submitted that they have obtained the said license for import of Rice milling machinery to produce the Basmati Rice for export purpose. The installation of machinery was done with the time period stipulated in Policy and obtained the Installation certificate for the chartered engineer. But due to changing in staff and procedural laps we could not submit the installation certificate with 18 months from the date of issue of license.

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- 122: Amir Chand Jagdish Kumar (Exports) Limited, Gurugram
F.No. HQREPCGPRAPP00000028AM23

Subject: Request for condonation for late submission of Installation certificate issued by Chartered Engineer against EPCG Authorization No. 0530165464 dated 23.07.2015 under 0% Concessional duty - reg.

The firm has submitted that they have obtained the said license for import of Rice milling machinery to produce the Basmati Rice for export purpose. The installation of machinery was done with the time period stipulated in Policy and obtained the Installation certificate for the chartered engineer. But due to changing in staff and procedural laps we could not submit the installation certificate with 18 months from the date of issue of license.

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- 123: Amir Chand Jagdish Kumar (Exports) Limited, Gurugram
F. No. HQREPCGPRAPP00000029AM23

Subject: Request for condonation for late submission of Installation certificate issued by Chartered Engineer against EPCG Authorization No. 0530160662 dated 01.04.2013 under 3% Concessional duty - reg.

The firm has submitted that they have obtained the said license for import of Rice milling machinery to produce the Basmati Rice for export purpose. The installation of machinery was done with the time period stipulated in Policy and obtained the Installation certificate for the chartered engineer. But due to changing in staff and procedural laps we could not submit the installation certificate with 18 months from the date of issue of license.

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- 124: Amir Chand Jagdish Kumar (Exports) Limited, Gurugram
F. No. HQREPCGPRAPP00000018AM23

Subject: Request for condonation for late submission of Installation certificate issued by Chartered Engineer against EPCG Authorization No. 0530142687 dated 26.12.2006 under 5% Concessional duty - reg.

The firm has submitted that they have obtained the said license for import of Rice milling machinery to produce the Basmati Rice for export purpose. The installation of machinery was done with the time period stipulated in Policy and obtained the Installation certificate for the chartered engineer. But due to changing in staff and procedural laps we could not submit the installation certificate with 18 months from the date of issue of license.

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- 125: Amir Chand Jagdish Kumar (Exports) Limited, Gurugram
F. No. HQREPCGPRAPP00000030AM23

Subject: Request for condonation for late submission of Installation certificate issued by Chartered Engineer against EPCG Authorization No. 0530167743 dated 02.06.2016 under 0 % Concessional duty - reg.

The firm has submitted that they have obtained the said license for import of Rice milling machinery to produce the Basmati Rice for export purpose. The installation of machinery was done with the time period stipulated in Policy and obtained the Installation certificate for the chartered engineer. But due to changing in staff and procedural laps we could not submit the installation certificate with 18 months from the date of issue of license.

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- 126: Amir Chand Jagdish Kumar (Exports) Limited, Gurugram
F. No. HQREPCGPRAPP00000031AM23

Subject: Request for condonation for late submission of Installation certificate issued by Chartered Engineer against EPCG Authorization No. 0530166093 dated 15.10.2015 under 0% Concessional duty - reg.

The firm has submitted that they have obtained the said license for import of Rice milling machinery to produce the Basmati Rice for export purpose. The installation of machinery was done with the time period stipulated in Policy and obtained the Installation certificate for the

chartered engineer. But due to changing in staff and procedural laps we could not submit the installation certificate with 18 months from the date of issue of license.

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- 127: Chandak Woollens Pvt. Ltd., Bikaner

F. No. HQRPRCAPPLY00002765AM23

Subject: Request for 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 has 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 has stated that they requested to RA, Jaipur 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.”

The firm has referred to para 5.11 of HBP (2006-07) which reads as under:

“The concerned Regional authority, may consider one or more Obligation Period request for grant of extension in EO period for a period of 2 years, on payment of a composition fee of 2% of the total duty saved under the Authorization for each year of extension sought.

However extension in EO period beyond the two years period available above, may be considered, for a further extension upto 2 years with a condition that 50% of duty payable in proportion to the unfulfilled EO is paid by the Authorization holder to the Custom authorities before an endorsement of extension is made on the EPCG Authorization by the Regional authorities.”

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-128: Eternity Footwear Pvt. Ltd. (formerly known as Diamond Products Ltd.)

F. No. HQRPRCAPPLY00001050AM23

Subject: Request for:

i. Condonation of non-mentioning of EPCG Authorization details on 3rd party shipping bills against above EPCG Authorization;

or

ii. Extension of EOP for two years from the date of endorsement.

In respect of EPCG Authorization No. 0530155442 dated 06.05.2011 under 0% Concessional duty.

The applicant stated that they had supplied the goods manufacturer by them to M/s Super Shine Exim Pvt Ltd for exports as they had orders and they are in to export trading of footwear. They supplied them with the understanding that goods shall be exported and our EPCG details will be included on the export documents so that EO as imposed can be met. However, when the documents from the exporter were received with them, they noticed that their company's name and EPCG Licence number was not included in the shipping bills in spite of their understanding and commitment. It came to their notice while filing documents to redeem the imposed obligation. The applicant also stated that the supplies were made under H- Form confirming that goods are for exports only hence the goods supplied by them were actually exported.

The applicant reiterated that their efforts and intention was clear to fulfil the EO with in time and they did by supplying the goods manufactured by them and same were exported by M/s Super Shine Exim Pvt Ltd vide their shipping bill nos. 21134171 dated 30.07.2015, 2156841 dated 31.04.2015, 3907100 dated 02.11.2015, 4174175 dated 18.11.2015, 4776102 dated 18.12.2015, 4944539 dated 26.12.2015, 4999798 dated 30.12.2015, 6081468 dated 25.02.2016, 5422079 dated 22.01.2016, 5906488 dated 17.02.2016 but their fault is that they could not notice that the details of our EPCG Licence is missing because inadvertent error done by the CHA while filling the shipping bills. The applicant has also submitted that alternately extension in EOP may be granted for 2 years from the date of endorsement to make fresh export to meet the EO.

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

Case No- 129: Bhanu Farms Limited, Kolkata

F. No. HQREPCGPRAPP00000416AM23

Subject: Request for:

i. Extension of 1st Block for two years from date of expiry of 1st block period against above EPCG Authorization.

- ii. Extension of EOP for two years i.e. from 6 years to 8 years against above EPCG Authorization.

In respect of EPCG Authorization No. 0230009517 dated 19.05.2014 under 0% Concessional duty.

The applicant has stated that they couldn't fulfill the EO during the 1st Block Period of the concerned EPCG Authorization but they have been successfully completed 93.80% of the required EO within the valid EOP of 6 years from the date of issuance of the Authorization. Therefore, the firm has requested to condone the delay in application for block wise extension to RA, Kolkata and allow them block wise extension against the authorization. The applicant further stated that they have completed almost 93.80% of the required total EO within its 6 years valid E.O. Period, but to meet the remaining EO, they need extension of EOP. Therefore, the firm has requested for extension of EOP from 6 years to 8 years for completion of its 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:-

- (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 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- 130: Skypack India Private Limited, Faridabad
F. No. HQREPCGPRAPP00356423AM22

Subject: Request for

- i. 1 year Extension to fulfill EO from the date when the same is approved in Minutes of the meeting (1 year extension in present year) OR
- ii. Second EOP Extension of one year post 15.03.2018 i.e. beyond 6+2 years.

In respect of EPCG Authorization No. 0530151549 dated 16.03.2010 under 0% Concessional duty.

The applicant has stated that they are engaged in the manufacturing of Plastic Packaging and exporting the Plastic Packaging falling under the customs tariff heading 39000000 to various countries. The firm further stated that to fulfill 100% EO they have obtained EOP extension of 2 years and license was extended up to 15.03.2018 by the concerned RA.

The applicant further stated that they applied for Redemption of subject License on 31.05.2019 by reporting the total Exports amounting to Rs. 17,99,40,965 (Exports made by the company amount Direct Export 12,43,69,698 Third Party Exports 1,85,79,576 Deemed Exports 3,69,91,691). The firm stated that they were informed that the third party exports and the deemed exports made by the company will not be counted for fulfillment of EO.

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

Case No- 131: B.M. Industries, Malkapur (Maharashtra)
F. No. HQREPCGPRAPP00354616AM22

Subject: Request for

- i. Block-wise Extension
- ii. 1st EOP extension and 2nd EOP extension and
- iii. to allow late submission of the Installation Certificate issued by Chartered Engineer

In respect of EPCG Authorization No. 5030000148 dated 24.10.2011 under 3% Concessional duty

The Applicant has stated that they could not fulfill 100% EO within the stipulated time period i.e. 8 years. The firm has further stated that they could not apply for Block-wise and EOP extensions within stipulated time, due to unawareness of the Policy provisions. Therefore, the firm has requested to allow them for late submission of the installation certificate, Block-wise extension and 1st EOP and 2nd EOP extension to fulfill EO. The firm is ready to pay the requisite Customs duty along with interest and penalty imposed. Further, as per the Installation certificate issued by Chartered Engineer on 25.01.2012, CG was imported on 31.12.2011 and Installed on 20.01.2012.

Decision:

In respect of 1st& 2nd request of the firm,

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

- i. 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/-.
- ii. 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/-.

- iii. 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 2004-09.

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 3rd request of the firm,

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- 132: Florence Shoe Company Private Limited, Vepery

F. No. HQREPCGPRAPP00285933AM22

Subject: Request for relaxation in Annual Average Export Performance shortfall of 2.26% in respect of EPCG authorization No. 0430015889 dated 17.06.2016 under 0% Concessional Duty.

Earlier, the applicant submitted its request vide application dated 14.12.2021 for relaxation in annual average export performance shortfall of 2.26% in respect of EPCG authorization No. 0430015889 dated 17.06.2016. The request of the applicant has also been recommended by Council for Leather Exports, Chennai vide their letter dated 10.11.2021. The applicant has stated that due to the adverse market condition and impact on the trade and stated that they have fulfilled EO 100%. The applicant has submitted that with aggressive marketing and frequent visits, they achieved Export income of Rs.215 Crores towards the fixed target of Rs.220 Crores. The annual average of the past export performance to be maintained by the Authorization Holder is Rs.2,20,76,07,093.33.

The matter was examined on file and the firm was requested to approach RA for relaxation in AEO as per Policy Circular issued by DGFT in terms of Para 5.19 of HBP 2015-20. Now, the firm has stated that they had approached RA, Chennai and submitted their redemption application under Policy Circular No. 03/2015-20 dated 21.11.2017. But, RA, Chennai denied their request stating that as per DGFT direction in terms of Para 5.19 of HBP 2015-2020, there is no relaxation granted for the export product ITC HSCODE (6403).

The applicant also submitted that the EO has been achieved in full (100%) but a shortfall of 2.26% of the annual average has been left. Also, due to fall in FOB price, the realization price has come down significantly as compared to the previous years. In the years 2017-18 and 18-19, AEO has sunk leaving a backlog, which they have to meet in the coming years.

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

Case No- 133: Valiathu Institute of Medical Science Research Centre, Kerala
F. No. HQRPRCAPPLY00401239AM22

Subject: Request for second EOP Extension i.e. beyond 6+2 years in respect of EPCG Authorization No. 5330001517 dated 14.08.2013 under 0% Concessional Duty.

The firm vide application dated 25.03.2022 has requested for second EOP Extension i.e. beyond 6+2 years in respect of the same EPCG Authorization No. i.e. 5330001517 dated 14.08.2013 under 0% Concessional Duty. The firm has stated that they have already got total 8 years (6+2 years) of EOP for completing their EO but during this period they couldn't fulfill their 100% EO due to Covid-19 pandemic situation wherein foreign patients were not coming to their Hospital for treatments. Hence the firm has requested for another two years of Extension i.e. beyond 6+2 years for completing their EO.

Decision: The Committee decided to advise the party to approach RA concerned in respect of their request for extension in EOP in terms of provision of Public Notice No. 53/2015-20 dated 20.01.2023. RA may examine the request on merit.

Case No- 134: Chandra Polyplast Pvt. Ltd., Aurangabad
F. No. 01/36/218/32/AM-21/EPCG

HQREPCGPRAPP00000325AM23

Subject: Review of decision taken in the EPCG Committee Meeting dated 11.09.2020 i.e. Conversion of FOB value of EO based on duty saved amount instead of CIF value in terms of Notification No. 28 dated 28-1-2004.

The applicant has requested for review application of conversion of CIF value into Duty Saved Amount in respect of EPCG license no. P-CG01109118 Dated 11.08.1999. The applicant has stated that the committee considered their case in its meeting no. 14th dated 30.03.2022 and after approving partial request, rejected other request, stating that "The EO period is not valid on the date of request. The committee is not recommending the case of conversion of EPCG authorization to Duty Saved Amount. The applicant has made following submissions:

- a. The request for the said relaxation was made before the EPCG Committee simply because the license was not valid on the date of export as the committee is empowered to relax the procedure/ Policy in case of genuine hardship.
- b. As the said relaxation is based on a bonafide and genuine ground, the request for the said relaxation has complete merit.
- c. There are several instances when the Honorable committee has considered the request for such a relaxation in the past.

In view of the above, the applicant has stated that their case has complete merit for consideration of the relaxation regarding permission to convert EO based on duty saved amount instead of CIF value, in terms of the Notification No. 28.01.2004.

The representative of the applicant appeared before the EPCG Committee in the 7th Meeting of AM-23 held on 14.10.2022/17.10.2022 and the Committee heard the submissions of the representative of the firm. The Committee went through the statements made by the representative of the applicant and decided to defer the case for further examination.

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

Case No- 135: ASP Exports Pvt. Ltd., Thane
F. No. HQREPCGPRAPP00000374AM23

Subject: Request for condonation/waiver of block wise /overall EO fulfillment/period and acceptance of EO by Group company against EPCG Authorization no. 0330014319 dated 13.12.2006 under 5% Concessional duty.

The applicant has stated they have earlier, vide letter dated 05.04.2017 (F. No. 01/36/218/28/AM-18/EPCG-I), requested for extension of block wise EOP and acceptance/regularization of exports of readymade garment made by the Group company against EPCG Authorization no. 0330014319 dated 13.12.2006 under 5% Concessional duty. The request of the firm was considered in the Meeting of the EPCG Committee held on 05.06.2018 and decided to remand the case back to RA.

Now, the firm vide application dated 25.07.2022 has requested for condonation/waiver of block wise /overall EO fulfillment/period and acceptance of EO by Group company against EPCG Authorization no. 0330014319 dated 13.12.2006 under 5% Concessional duty. In their application, the firm has stated that they could not meet their EOs in the first block as well as the overall EOP due to adverse international economy. The firm has also mentioned that the reason for not fulfilling itself in both the blocks by exporting the goods permitted under the said license

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

Case No- 136: Pro Labels Private Limited, Noida
F. No. HQREPCGPRAPP00000375AM23

Subject: Request for:

- i. 5 years EOP Extension beyond 6+1 years.
- ii. Addition of Export Item (Flexible and rigid printed/ coated packaging and fibre material) along with existing item.

In respect of EPCG Authorization No. 0530161240 dated 19.07.2013 under 0% Concessional Duty.

The applicant stated that they have availed 1 year EOP Extension up to 19.07.2020. The firm mentioned that they could export a sum of Rs. 11681783.56 till 31.03.2022. The firm further stated that they couldn't fulfill their 100% EO in stipulated time period due to :

- a. Covid-19 pandemic and related lockdowns - multiple lockdowns and Covid-19 pandemic halt affected the firm's exports and overseas travel for meeting clients.
- b. Global Ban on single use plastic - Notification by Govt. of India in August 2021 to ban single use plastic, around 60 countries banning single use plastic.

Regarding addition of Export Items, the firm has stated that they explored various enquiries for export of flexible and rigid printed/coated packaging and fibre material and added several machineries for the mentioned items along with Gallus machine against which EPCG License was availed. The firm further stated that basic custom duty was a sum of Rs. 29.81 lakhs and CVD was not paid i.e. Rs. 65.19 lakhs.

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- 137: Zon Hotels Private Limited, Mumbai
F. No. HQREPCGPRAPP00000500AM23

Subject: Request for 1st Block Extension for regularization in respect of EPCG Authorization No. 0330036784 dated 13.09.2013 under 0% Concessional Duty

The applicant stated that they had obtained subject EPCG authorization from RA Mumbai for their hotel project at Goa and could not fulfill 50% EO in the 1st Block due to unfavorable market situations and also could not apply to RA within the stipulated time for Block-wise EOP extension due to unawareness of the Policy Provisions. However, the applicant mentioned that they were able to fulfill 100% EO within stipulated time period i.e. 6 years and have requested for extension of 1st Block in order to apply for redemption against the subject authorization.

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

- a. The proper installation certificate has been submitted within time limits as specified.

This has the approval of DG, DGFT.

[DGFT= Directorate General of Foreign Trade, DG = Director General, FTP, = Foreign Trade Policy, HBPv1 = Handbook of Procedure Vol. I, EO = EO, EODC = EO Discharge Certificate, EOP = EO Period, B.O.E. =Bill of Entry, EPCG = Export Promotion Capital Goods, RA = Regional Authority, BG = Bank Guarantee, FFE = Free Foreign Exchange, IEC = Importer

Exporter Code, DoR = Department of Revenue, IEM = Industrial Entrepreneurs Memorandum, RCMC = Registration-cum-Membership-Certificate.].

The meeting ended with a vote of thanks to the Chair

[Issued from F. No. 01/36/218/23/AM-23/EPCG]
