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MINUTES OF 11th MEETING OF AM-23 OF THE EPCG COMMITTEE HELD UNDER THE CHAIRMANSHIP OF SHRI S.B.S. REDDY, ADDITIONAL DIRECTOR GENERAL OF FOREIGN TRADE AT 3:30 PM ON 10.02.2023

Eleventh Meeting for AM-23 of the EPCG Committee was held on 10.02.2023 at 3:30 PM under the chairmanship of Shri S.B.S. Reddy, Additional Director General of Foreign Trade through Video Conferencing. Following officers attended the meeting:-

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

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

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Case No- 1: Kharakia Pulses, Nagpur
F. No. HQRPRCAPPLY00003416AM23

Subject: Request for extension of EOP for 2 years (i.e. from 12 years to 14 years) in respect of EPCG Authorization No. 5030000093 dated 27.12.2010 under 3% Concessional duty.

The firm has stated that due to their unawareness of the policy provisions regarding the procedure for fulfilling export obligation they have missed to apply for 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. However, the application has not been made within the stipulated time frame.

The firm has submitted that DGFT has given relaxation in time period for applying for block-wise extension by paying condonation fee through various Public Notices. The 1st such PN was issued on 25.10.2017 and has been updated recently on 07.04.2020. The notice provided relaxation till 31.03.2021 and thereafter it has been stopped after introduction of the online modules. Such relaxation is beneficial to the exporters especially the exporters with EPCG licence as the industry is completely aware/ educated about the rules and regulations of the EPCG licence and its repercussions for defaulting.

Decision: The Committee deliberated upon the case and observed that EO period for agro units was 12 years. 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 2009-14 and late fee of Rs. 10,000/-.
The above relaxation is also subject to the condition that the proper installation certificate has been submitted within time limits as specified in FTP/HBP.

This has the approval of DG, DGFT.

<u>Case No- 2: Milan Knits, Surat</u>
F. No. HQRPRCAPPLY00003342AM23

Subject: Request to grant extension of EOP from 7 years to 9 years in respect of EPCG Authorization No. 5230011715 dated 16.05.2013 under 0% Concessional duty.

The firm has stated that they have been granted EOP extension for 1 year which is valid up to 15.05.2020 as per amendment sheet issued by RA, Surat on 23.09.2019. The firm has also stated that P.N. 67 dated 31.03.2020 and Notification No. 28 dated 23.09.2021 will entitle them for extension for a period up to 31.12.2021. The firm has requested for extension of EOP for two years from 7 years to 9 years.

Decision: The Committee deliberated upon the case and observed that applicant has taken COVID extension till 31.12.2021 and are eligible for normal EO extension from 7^{th} to 8^{th} year. Committee decided to **recommend to DG for relaxation under Para 2.58 of FTP, 2015-20** to allow condonation of delay in approaching RA for EOP extension for 1 year for regularization purpose, upto 31.12.2022, on payment of composition fee or imposition of additional export obligation in terms of Para 5.11 of HBP 2009-14 and late fee of Rs. 10,000/-. This is in addition to the extensions granted on account of COVID pandemic.

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

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

b. The payment of balance duties of Customs plus interest on unfulfilled EO since the extended EOP upto 31.12.2022 has already expired.

This has the approval of DG, DGFT.

<u>Case No- 3: Manila Dyeing & Printing Mills, Surat</u>
F. No. HQRPRCAPPLY00003296AM23

Subject: Request for extension of 1^{st} block EOP in respect of EPCG Authorization No. 5230014373 dated 25.06.2014 under 0% Concessional duty.

The firm has stated that due to lack of adequate opportunities they could not complete 50% EO in the first block within the stipulated time period i.e. 4 years and completed their EO in the second block period. They have paid the proportionate composition fee along with a penalty of Rs. 5,000/-. Therefore, the firm has requested for extension of 1^{st} block for obtaining EODC.

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

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

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

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

This has the approval of DG, DGFT.

Case No- 4: Balaji Action Buildwell, New Delhi
F. No. HQREPCGPRAPP00000016AM23

Subject: Request for amendment in the subject EPCG Authorization No. 0530157581 dated 07.02.2012 under 3% Concessional duty as under:

(i) Change in the name of company from Balaji Action Buildwell to Balaji Action Buildwell Pvt. Ltd.

(ii) Change in IEC No. from 0506042928 to AAKCB1853F

The firm has stated that the EPCG Authorisation No. 0530157581 dated 07.02.2012 was issued to M/s Balaji Action Buildwell (herein after referred to as the firm). The firm was converted into Private Limited company under the provisions of Part-l of Chapter XXI of the Companies Act, 2013 vide Certificate of incorporation dated 30-09-2021 issued by the Registrar, Central Registration Centre, Ministry of Corporate Affairs pursuant to the resolution passed by the partners of the Firm at their meeting held on 11.08.2021 and filing of FORM URC 1 by the firm.

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

(i) Average EO (AEO) shall be re-fixed by adding AEO (if any) of M/s. Balaji Action Buildwell Pvt. Ltd. for same and similar products on date of acquisition to the existing AEO.

(ii) M/s. Balaji Action Buildwell Pvt. Ltd. shall complete necessary Bond formalities as may be applicable with Customs Authorities for fulfilment of EO.

This has the approval of DG, DGFT.

Case No- 5: Fair Exports (India) Pvt. Ltd., Ghaziabad
F. No. HQREPCGPRAPP00000156AM23

Subject: Request for following amendments in respect of EPCG Authorization No. 0530168822 dated 20.10.2016 under 0% Concessional Duty:

i. EPCG Authorization holder name may be changed from Amroon Foods Pvt. Ltd to Fair Exports (India) Pvt. Ltd.

ii. IEC Number to be changed from 069903920 to 0391146670

The firm stated that subject license was issued to M/s Amroon Foods Pvt. Ltd. Further, vide NCLT Tribunal Bench Order No. CP(CCA)/586/MB/2019(connected with CA(CCA)76 of 2018 Amroon Foods Pvt. Ltd merged into Fair Exports(India) Pvt. Ltd under the scheme of amalgamation. After the order, the Fair Exports (India) Pvt. Ltd will liable to do EO for above mentioned EPCG Authorization. The firm further stated that address and exporter type remains the same in EPCG Authorization.

It is pertinent to mention here that as per Para 10 – (h) Hon'ble NCLT Mumbai Order dated 06.11.2019 - The Regional Office of the Transferor Company–1 is situated in the state of Delhi i.e. outside the jurisdiction of NCLT of Mumbai Bench and falls within the jurisdiction of NCLT of Delhi. Accordingly, similar approval is obtained by the Transferor Co.-1 from Hon'ble NCLT at Delhi respectively. It has been noticed that the firm has not furnished a certified copy of the Hon'ble NCLT Delhi order in support of their request.

Decision: The Committee decided to call for a certified copy of order of the Hon'ble NCLT Delhi from applicant and **deferred** the case.

<u>Case No- 6: Fair Exports (India) Pvt. Ltd., Ghaziabad</u>
F. No. HQREPCGPRAPP00000157AM23

Subject: Request for following amendments in respect of EPCG Authorization No. 0530169653 dated 09.02.2017 under 0% Concessional Duty:

i. EPCG Authorization holder name may be changed from Amroon Foods Pvt. Ltd to Fair Exports (India) Pvt. Ltd.
ii. IEC Number to be changed from 069903920 to 0391146670

The firm stated that subject license was issued to M/s Amroon Foods Pvt. Ltd. Further, vide NCLT Tribunal Bench Order No. CP(CCA)/586/MB/2019(connected with CA(CCA)76 of 2018 Amroon Foods Pvt. Ltd merged into Fair Exports(India) Pvt. Ltd under the scheme of amalgamation. After the order, the Fair Exports (India) Pvt. Ltd will liable to do EO for above mentioned EPCG Authorization. The firm further stated that address and exporter type remains the same in EPCG Authorization.

It is pertinent to mention here that as per Para 10 – (h) Hon'ble NCLT Mumbai Order dated 06.11.2019-The Regional Office of the Transferor Company–1 is situated in the state of Delhi i.e. outside the jurisdiction of NCLT of Mumbai Bench and falls within the jurisdiction of NCLT of Delhi. Accordingly, similar approval is obtained by the Transferor Co.-1 from Hon'ble NCLT at Delhi respectively. It has been noticed that the firm has not furnished a certified copy of the Hon'ble NCLT Delhi order in support of their request.

Decision: The Committee decided to call for a certified copy of the Hon'ble NCLT Delhi Order from applicant and **deferred** the case.

<u>Case No- 7: Fair Exports (India) Pvt. Ltd., Ghaziabad</u>
F. No. HQREPCGPRAPP00000158AM23

Subject: Request for following amendments in respect of EPCG Authorization No.0530172312 dated 23.05.2018 under 0% Concessional Duty:

i. EPCG Authorization holder name may be changed from Amroon Foods Pvt. Ltd to Fair Exports (India) Pvt. Ltd.

ii. IEC Number to be changed from 069903920 to 0391146670

The firm stated that subject license was issued to M/s Amroon Foods Pvt. Ltd. Further, vide NCLT Tribunal Bench Order No. CP(CCA)/586/MB/2019(connected with CA(CCA)76 of 2018 Amroon Foods Pvt. Ltd merged into Fair Exports(India) Pvt. Ltd under the scheme of amalgamation. After the order, the Fair Exports (India) Pvt. Ltd will liable to do EO for above mentioned EPCG Authorization. The firm further stated that address and exporter type remains the same in EPCG Authorization.

It is pertinent to mention here that as per Para 10 – (h) Hon'ble NCLT Mumbai Order dated 06.11.2019-The Regional Office of the Transferor Company–1 is situated in the state of Delhi i.e. outside the jurisdiction of NCLT of Mumbai Bench and falls within the jurisdiction of NCLT of Delhi. Accordingly, similar approval is obtained by the Transferor Co.-1 from Hon'ble NCLT at Delhi respectively. It has been noticed that the firm has not furnished a certified copy of the Hon'ble NCLT Delhi order in support of their request.

Decision: The Committee decided to call for a certified copy of the Hon'ble NCLT Delhi Order from applicant and **deferred** the case.

<u>Case No- 8: Bharat Heavy Electricals Limited (BHEL), Ranipet</u>
F. No. HQREPCGPRAPP00000412AM23

Subject: Request for Re-fixation of AEO in respect of EPCG Authorization no. 0430014327 dated 06.01.2015 under 0% Concessional duty.

The Applicant has stated that at the time of issue of EPCG Authorization, RA, Chennai had fixed the AEO as average of the previous three years' exports (deemed and physical exports together) i.e. 2058.56 Cr. This should be maintained till the Specific Export Obligation (SEO) is achieved. It is submitted that as per FTP 2009-14, the exports proceeds realized through deemed and physical exports under Advance Authorization are only considered for discharge of export obligation. Since BHEL, Ranipet was expecting many power orders, which are eligible for deemed export benefits the same were considered, while applying for various EPCG licenses so as to achieve the export obligation.

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 projects. The firm has stated that the overall Export (Deemed & Physical) performance of BHEL, Hyderabad was continuously on the decline from the year 2012-13 onwards. Thus AEO is required for against above EPCG authorization as per FTP 2009-14 could not be met. The firm has mentioned of the of the reasons for decline in exports due decline in Thermal sector business, decline in Gas Turbines Business, Re-categorization of Power projects, Environmental factors & Bankruptcy of customers/NCLT 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.

<u>Case No- 9: Bharat Heavy Electricals Limited, Ranipet</u>
F. No. HQREPCGPRAPP00000413AM23

Subject: Request for Re-fixation of AEO as Rs. 779.43 Crores i.e. Average Export Turnover of FY 2016-17 (completion year of SEO) under Para 5.19 of HBP 2015-20 in respect of following EPCG Authorization No. 0430014345 dated 09.01.2015 under 0% Concessional Duty.

The firm stated that as per FTP 2009-14 export proceeds realized through deemed and physical exports under AA are only considered for discharge of EO and they were expecting many power orders eligible for deemed export benefits but as per Ministry of Finance Notification No. 49/2012 dated 10.09.2012 deemed export benefits were withdrawn for all power projects other than 112 listed mega projects which led to non-achievement of EO through normal power projects. The firm has stated that subject authorization could not be closed due to shortfall of AEO and have mentioned the following reasons for decline in exports:

- Decline in thermal sector business
- Re-categorization of power projects
- Environmental factors and bankruptcy of customers
- Unfavourable market conditions in power sector
- Policy changes

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

<u>Case No- 10: Bhushan Textile Mills, Ludhiana , Kolkata</u>
F. No. HQREPCGPRAPP00000393AM23

Subject: Request for extension of EOP for two years i.e. upto 15.07.2023 in respect of EPCG Authorization No. 3030011335 dated 16.07.2013 under 0% Concessional duty.

The firm has stated that they have completed their 80% EO in the first block. 20% EO is pending due to family disturbance, which lasted two and a half years in the Hon'ble Court at Ludhiana, whose decision was received on 30.11.2021, so his family did not go into the remaining export obligation against the authorization obtained in reverse. The firm has also stated that they have not taken any extension for the first or second block.

Decision: The Committee deliberated upon the case and decided that the **applicant may approach RA** for extension of EO period in accordance with the Public Notice No. 53/2015-20 dated 20.01.2023. RA may examine the request on merit.

Case No- 11: Jankalyan Vinimay Pvt. Ltd., Kolkata
F. No. HQREPCGPRAPP00000159AM23

Subject: Requests against EPCG Authorization No. 0230008658 dated 05.03.2013 under 3% Concessional duty:

i. Re-fixation of EO as actual duty saved in Actual Duty saved 845345 (INR), Actual Specific EO (INR) 6762760 (8 times), 122402.90 (USD), Exchange rate 55.25

ii. Condonation of both Block wise EO fulfillment & Extension of EOP for two year with addition export obligation of 20% over and above fixed EO.

The firm has stated that the export order was in hand but they were unable to execute the export due to Covid19 and lock down within 31.12.2021 as per Notification No. 28/2015-20 dated 23.09.2021. Therefore, the firm has requested for condonation of Both block wise EO fulfillment and extension of EOP for two year with an enhancement in ddition EO of 20% of total export obligation, over and above 5% additional EO as per para 5.17 (f) vide Notification No. 28 dated 23.09.2021. The firm has also requested for re-fix the EO as per actual duty saved for calculation of composition fees.

Decision:

In respect of 1st request, The Committee deliberated upon the case and observed that there is no relaxation required in this case. Committee decided to remand the case to RA to examine the request as per policy provisions.

In respect of 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 8th year to 10th year) on payment of composition fee or imposition of additional EO in terms of Para 5.11 of HBP 2009-14 and late fee of Rs. 10,000/-.

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

This has the approval of DG, DGFT.

Case No- 12: Sreenivasa Balaji Papers Private Limited, Tamil Nadu
F. No. HQRPRCAPPLY00003642AM23

Subject: Request for second EOP Extension for 6 months i.e. beyond 8+2 years in respect of EPCG Authorization No. 3230016317 dated 10.02.2011 under 03% Concessional Duty.

The firm has stated that their EOP was extended from 8 years to 10 years up to 09.02.2021 by RA Coimbatore but couldn't fulfill 100% EO during the same. The firm further stated that they received automatic extension from DGFT up to 31.12.2021 as per Notification No. 28 dated 23.09.2021 but they fulfilled EO up to US$ 516608.58 out of their actual specific EO of US$ 674137 up to 31.12.2021. The firm has further stated that they fulfilled EO 100% up to US$ 712419.73 in excess of 5% additional EO as per Notification No. 28 up to 14.06.2022

Decision: The Committee deliberated upon the case and decided to call for a report from RA regarding details of EO fulfilled and balance duties of Customs plus interest payable on the unfulfilled EO.

Case No-13: India Offset Printers Pvt. Ltd., New Delhi
F. No. HQRPRCAPPLY00002826AM23

Subject: Request for extension of EOP for further two years i.e. beyond 6+2 years in respect of EPCG Authorization No. 0530155717 dated 09.06.2011 under 0% Concessional duty - reg.

Earlier, the firm vide letter dated 15.07.2019 requested for extension of EOP for further two years i.e. beyond 6+2 years against EPCG Authorization no. 0530155717 dated 09.06.2011 under 0% Concessional duty. The request of the firm was considered in the 7th Meeting of the EPCG Committee held on 30.08.2019 and decided as under:

> *"The party has requested for second extension in EOP in respect of zero duty EPCG authorisation issued on 09.06.2011. The Committee noted that the party has fulfilled on 3.06% of EO in the stipulated and extended EOP. The Committee deliberated upon the case and decided to* ***reject*** *it as the EO fulfillment status is very poor inspite of grant of extension in EOP."*

Decision: The Committee went through the statements made by the applicant and noted that earlier the case was rejected by the EPCG Committee. Accordingly, the firm may file a review application along with requisite fee.

Case No- 14: Baljit Agrotech Pvt. Ltd. , Kolkata
F. No. HQREPCGPRAPP00000424AM23

Subject: Request against EPCG Authorization No. 0230008002 dated 04.06.2012 under 3% Concessional duty :

i. Request for extension of 1st Block and extension of EOP for 2 years against above EPCG Authorization.

ii. Request for condonation for late submission of Installation certificate issued by Chartered Engineer against above EPCG Authorization.

The firm has stated that they could not make any export within 1st Block period as well as second block period. Therefore, the firm has requested for extension 1st block and extension of EOP for two years in order to fulfil their EO. The firm has further stated that they are eligible for automatic extension for six months in terms of P.N. 67 dated. 31.03.2020, wherein it has been clearly stated that "After Para 5.17(d), the following sub-Para is added: However, for the authorizations covered under Para 5.17 (a), (b) and (c), if the export obligation period expires during 1st February, 2020 to 31st July, 2020, such period is deemed to be automatically extended by further 6 months from the date of such expiry". In other words, all EPCG Authorizations, whose Original E.O. Period is expiring between 01.02.2020 and 31.07.2020, would have an automatically extended E.O. Period of 8 years and six months as per this P.N. 67 dated. 31.03.2020. Licensee would be eligible for further extensions as per the provisions of Policy and Procedure. The firm has requested to condone the delay in filing its request for block wise EOP extension and regular EOP extension after expiry of authorization for two years as per para 5.11 of HBP 2009-14, taking into account the extension of six months automatically assuming the expiry date as 04.12.2020.

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** 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 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, the firm has stated that they could not be submitted due to over sight by the concerned person in their company. The firm has requested to condone the delay in submission of installation certificate. As per installation certificate issued by Chartered Engineer on 22.02.2013, CGs were imported on 03.12.2012 and installed on 08.02.2013.

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

Case No- 15: R.R. Textiles, Thane
F. No. HQRPRCAPPLY00003382AM23

Subject: Request for:

i. 1st Block EOP Extension

ii. Condonation of delay in Submission of Installation Certificate beyond 18 months issued by Chartered Engineer

In respect of EPCG Authorization No. 0330037769 dated 20.01.2014 under 0% Concessional Duty.

As per Installation Certificate dated 18.07.2015 issued by Chartered Engineer enclosed by the firm, machinery was installed at the firm's premises on 20.03.2014 vide BOE No. 4570225 dated 06.02.2014.

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** 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.

In respect of 2nd request, the Committee went through the statements made by the applicant and noted that the applicant has not submitted any cogent reason/justification in support of any genuine hardship faced by them. Accordingly, the Committee decided to **reject** the request.

Case No- 16: Veepee Cotex Corporation, Amravati
F. No. HQRPRCAPPLY00003413AM23

Subject: Request for EOP Extension up to 21.08.2022 i.e. 6+2 years in respect of EPCG Authorization No. 5030000489 dated 21.08.2014 under 0% Concessional Duty.

The firm has stated that due to unawareness of policy provisions regarding procedure for fulfilling EO they missed to apply for EOP Extension within stipulated time period. The firm further stated that they have new export orders to be fulfilled and was trying to apply for EOP Extension but their application had not been made in stipulated time period.

Decision: The Committee deliberated upon the case and decided to **recommend to DG for relaxation under Para 2.58 of FTP, 2015-20** to allow Condonation of delay in approaching RA for EO extension for 2 years (from 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- 17: Doms Industries Private Limited, Mumbai
F. No. HQREPCGPRAPP00000368AM23

Subject: Request for Condonation of delay in payment of official fees on Excess Duty Saved Value utilized in respect of EPCG Authorization No. 0330040727 dated 15.01.2015 under 0% Concessional Duty.

The firm has stated that they have already paid the official fees for excess duty saved utilized i.e. Rs. 300. The firm further stated that as per Public Notice No. 22/2015-2020 dated 31.07.2019, RA have power to accept delayed fees up to two years. The firm further stated that Para 5.16 (a) of HBP 2015-20, as amended, provides that if authorization issued has been utilized for import of goods in excess of duty saved amount indicated on the authorization by not more than 10%, the RA may accept additional fee to cover excess imports effected, in terms of duty saved amount, even beyond one month but within two years of the excess import taking place, subject to payment of composition fee of Rs. 5000/- per authorization.

Decision: The Committee deliberated upon the case and decided **to recommend to DG for relaxation under Para 2.58 of FTP 2015-20** for condonation of procedural lapse of delay of more than a month in payment of fee for excess duty saved amount as envisaged in the Para 5.16(a) of HBP 2009-14, 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.

<u>Case No- 18: Shri Venkatesh Udyog, Nagpur</u>
F. No. HQRPRCAPPLY00003414AM23

Subject: Request for EOP Extension up to 26.02.2024 i.e.

i. EOP Extension from 8^{th} to 10^{th} year

ii. EOP Extension from 10^{th} to 11^{th} year

In respect of EPCG Authorization No. 6330000126 dated 26.02.2013 under 03% Concessional Duty.

The firm has stated that due to unawareness of policy provisions regarding procedure for fulfilling EO they missed to apply for EOP Extension within stipulated time period. The firm further stated that they have new export orders to be fulfilled and was trying to apply for EOP Extension in EPCG portal but the dept was not accepting their applications and were raising deficiencies in their application stating that their application had not been made in stipulated time 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:-

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

ii. Condonation for delay in approaching RA for second extension in EOP 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 condition that the proper installation certificate has been submitted within time limits as specified in FTP/HBP.

This has the approval of DG, DGFT

<u>Case No- 19: Innoflex Laminators Private Limited, Pune</u>
F. No. HQREPCGPRAPP00156370AM22

Subject: Request for granting special extension of total EOP in respect of EPCG Authorization No. 3130008519 dated 05.03.2015 under 0% Concessional duty.

The Committee noted that they the applicant has requested to reject the case so that they can regularize the case by paying duties exempted plus interest.

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 special extension of total EO period and accordingly, the Committee decided to **reject** the request of the applicant. The Committee decided to advise the party to approach RA concerned to pay custom duty with interest.

<u>Case No- 20: Shri Indhira Cotton Mills Pvt Ltd, Chennai</u>
F. No. HQRPRCAPPLY00146195AM22

Subject: Request for relaxation for accepting FIRC in lieu of e-BRC and condonation of procedural lapse of not appearing the name of supporting manufacturer in the shipping bills in respect of EPCG Lie No: 0430003549 dt 27.03.2006.

The applicant has stated that the above two consignments were exported through third party exporter and sale proceeds were received by him in advance. Since the consideration for export was received in advance the payments were received against FIRC instead of BRC. The applicant has also requested for condonation of procedural lapse of not appearing the name of supporting manufacturer in the shipping bills in respect of EPCG License No: 0430003549 dated 27.03.2006 and stated that they had had effected export of cotton yarn through third party exporter, vide Shipping Bill No: 3665267 dated: 03.03.2010, 7818463 dated 01.03.2012, 8002026 dated 14.03.2012 and 4407933 dated: 12.03.2013.

The third party exporter duly endorsed the name of M/s. Shri Indhira Cotton Mills Pvt Ltd as exporter, EPCG License Number along with details of supporting manufacturer in all the shipping bills. When the shipping bills were generated through the Customs EDI online software module the name of the exporter, EPCG license Number and the name of the EPCG License holder were reflected in all the above shipping bills whereas the name of the supporting manufacturer was not printed in the shipping bills and this is due to the limitation in the EDI software module in as much as the EDI software does not provide an additional field for reflecting the name of the supporting manufacturer name along with the name of the license holder while the shipping bills are printed.

The applicant has submitted that the field available with the title as Supp. Mfr. details at the end of the Shipping Bill is not having sufficient space due to limitation in the EDI software and hence the supporting manufacturer details are not reflected therein. The applicant had submitted application dated 25.07.2013 for redemption but they have received deficiency letter dated 08.04.2021, on the following ground :

> " *Since details of Supp. Mfrs(as endorsed in licence) is not available in the lII Party S.Bill to establish the manufacture of the products towards EO fulfillment. The S.Bills are not considered towards EO fulfillment. Hence, you are advised to regularise entire issue".*

Decision: The Committee deliberated upon the case and decided to **defer** it with the direction to call for a report of RA on the submissions made by the applicant along with copy of Shipping Bills in question.

Case No- 21: Flowmore Limited, Ghaziabad
F. No. HQRPRCAPPLY00292457AM22

Subject: Request for correction of AEO in respect of EPCG Authorization No. 0530159858 dated 30.11.2012 under 03% Concessional duty.

The firm has stated that the Average EO has been wrongly mentioned in the authorization as Rs.583,500,000.0 instead of Rs. 3,890,000.0 due to typographical mistake at the time of filing of application. The firm further stated that total of export and domestic supply Rs. 22535.88 was treated as total average for 2009-10, 2010-11 and 2011-12 instead of only export average totalling for 2009-10, 2010-11 and 2011-12 which is Rs.3,890,000. CLA New Delhi has issued a D/L dated 06.12.2021 to the applicant advising to approach DGFT for re-fixation /correction in the annual average.

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

Case No- 22: Gopi Knitting Pvt. Ltd., Surat
F. No. HQREPCGPRAPP00000065AM23

Subject: Request to grant extension of EOP under Public Notice No. 67 dated 31.03.2020 and Notification No. 28 dated 23.09.2021 in respect of EPCG Authorization No. 5230012979 dated 28.11.2013 under 0% Concessional duty**.**

The firm has stated that they have been granted EOP extension for 2 years which is valid up to 28.11.2019. They have requested that their extension in EOP may be modified. Out of two years extension, they may be given extension of one year only thereafter they may be given extension under P.N 67 dated 31.03.2020 And Notification No. 28 dated 23.09.2021 which will entitle them for extension for a period up to 31.12.2021. The balance one year extension out of two years granted initially may be given after 31.12.2021, thereby they will be able to get extension in EOP for a period up to 31.12.2022.

Decision: The Committee deliberated upon the case and decided that the **applicant may approach RA** for extension of EO period in accordance with the Public Notice No. 53/2015-20 dated 20.01.2023. RA may examine the request on merit.

Case No- 23: Gopi Knitting Private Limited, Surat
F. No. HQRPRCAPPLY00003338AM23

Subject: Request for 2 years EOP Extension as following:

i. 1 year EOP Extension from 29.10.2019 to 28.04.2020 i.e. 6+1 years by payment of 2% Composition fees

ii. Automatic EOP Extension up to 31.12.2021 in view of P.N. 67 dated 31.03.2020 and DGFT Notification No. 28 dated 23.09.2021

iii. Another 1 year EOP Extension from 31.12.2021 up to 31.12.2022

In respect of EPCG Authorization No. 5230012871 dated 29.10.2013 under 0% Concessional Duty.

The firm has stated that they are enclosing copy of above license and requested for EOP Extension for 1 year and submitting 2% composition fees. The firm has stated of enclosing E-Challan of Rs. 63,849.46 /- as 1 year EOP extension fees and E-Challan of Rs. 5000/- as late fees for grant of EOP Extension as per public Notice No. 36/2015-20 dated 25th October 2017. The firm has further requested for Automatic EOP Extension up to 31.12.2021 in view of in view of P.N. 67 dated 31.03.2020 and DGFT Notification No. 28 dated 23.09.2021.

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 applying fotr EO extension:-

i. 1 year EOP Extension from 29.10.2019 to 28.10.2020 i.e. 6+1 years on payment of 2% Composition fees and late fee of Rs.10,000/-.

ii. Automatic EOP Extension up to 31.12.2021 in view of P.N. 67 dated 31.03.2020 and DGFT Notification No. 28 dated 23.09.2021

iii. Another 1 year EOP Extension from 31.12.2021 up to 31.12.2022 on payment of 2% Composition fees 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- 24: Bhaskar Book Manufacturers , Hyderabad
F. No. HQRPRCAPPLY00002973AM23

Subject: Request for extension of EOP for 5 months beyond 8 years in respect of EPCG Authorization No. 0930006244 dated 15.09.2010 under 0% concessional duty - reg.

The firm has stated that they are manufacturers and exporters of "Exercise Books, Registers & Account Books, Letter Pads, Other Stationery Products". The firm has further stated that they had obtained EPCG No. 0930006244 Dated 15.09.2010 with duty saving amount of Rs.10,2,31497.00/-. The firm has also stated that the prices of the raw materials were very high hence there was a delay in fulfilling Export Obligation.

2. In its application, the firm has informed that they had obtained EOP extension for 6 years to 8 years from RA, Hyderabad (amendment sheet attached). The firm has stated that they could fulfill 78% of the EO within the extended EO period i.e. 6 +2 years and remaining EO they could fulfill in the next 5 months.

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- 25: JC Grapics Pvt. Ltd., Vijayawada

F. No. HQRPRCAPPLY00002726AM23

Subject: Request for extension of EOP for further two years beyond 8 years (i.e. from 13.05.2022 years to 12.05.2024) in respect of EPCG Authorization No. 0930010275 dated 13.05.2014 under 0% Concessional duty.

The firm has stated that they were imported their capital Goods and installed at their factory premises and successfully executed their exports up to the year of 2019. Due to COVID-19 Pandemic situation & Lockdowns implemented throughout the Country in two phases, their factory is also completely closed for 10 Months without any production. Hence, their exports in the Year 2020 were drastically less. The firm has further stated that the availably of raw materials, manpower, packing & Transportation systems were major hurdles in lockdown Period for non-fulfilment of their EO within extended time period i.e. 6 + 2 years (8 years). The firm has informed that they have fulfilled 80.31% of their Specific EO within the extended time period of EOP.

The firm has stated that they need a minimum of two more years for the remaining 19.69% export performance to be demonstrated. This is because the volume of their SEZs is very low in terms of export volume and value. Although they have substantial direct export orders, they are difficult to execute due to increase in international freight traffic and heavy rush in container cargo due to the war between Russia and Ukraine.

Decision: The Committee deliberated upon the case and decided that the **applicant may approach RA** for extension of EO period in accordance with the Public Notice No. 53/2015-20 dated 20.01.2023. RA may examine the request on merit.

Case No- 26: Paragon Knits Limited, Noida
F. No. HQREPCGPRAPP00000002AM23

Subject: Request for Condonation for mis-match of EPCG Authorization Nos. mentioned in 130 Shipping Bills counted towards fulfilment of EO against EPCG Authorization No. 0530163030 dated 07.07.2014 under 0% Concessional Duty.

The firm has stated that they are one of the leading manufacturers and exporter of knitted readymade garments and fabrics and sourced the machinery indigenously and obtained the Installation Certificate from Chartered Engineer. The firm further stated that they fulfilled entire specific and average EO of subject EPCG Authorization No. 0530163030 dated 07.07.2014 during original EO period. The firm has further stated that during fulfillment of EO against subject EPCG Authorization, there was a procedural lapse on their part that different EPCG Authorization nos. obtained during 2014-15 were inadvertently endorsed on shipping bills (130 nos.) which are being counted towards fulfillment of EO except subject EPCG Authorization no. 0530163030 dated 07.07.2014. The shipping bills which were taken towards fulfillment of EO of 4 EPCG Licenses are given in the covering letter. (*The firm stated that as 130 shipping bills couldn't be uploaded with the application, the firm has enclosed 1 sample shipping bill for each of the 4 EPCG Licenses endorsed for reference in Annexure 2 of attachments).*

The 130 shipping bills have not been counted for fulfillment of EO in the above mentioned 4 EPCG Authorizations. The firm has enclosed CA certified statement of exports submitted for redemption of above mentioned 4 licenses along with redemption letters in Annexure 3.The firm has affirmed that there is no double counting of exports and the mentioned 130 shipping bills have not been counted towards discharge of EO against respective EPCG Authorizations endorsed on it and shall not be considered towards discharge of any other EPCG Authorization except 0530163030 dated 07.07.2014. The firm has stated that subject license is the only one which is not yet redeemed for which they have submitted this subject request for acceptance of minor lapse. The firm mentioned that out of 17 authorizations 14 are redeemed wherein one license is surrendered and one is under consideration (subject license). Two authorizations are under processes which were obtained during May and June 2022.

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

Case No- 27: Jankalyan Vinimay Pvt. Ltd., Kolkata
F. No. HQREPCGPRAPP00000160AM23

Subject: Request against EPCG Authorization No. 0230008341 dated 04.10.2012 under 3% Concessional duty :

i. Re-fixation of EO as actual duty saved in Actual Duty saved 1899205 (INR), Actual Specific EO (INR) 15193640 (8 times), 270350 (USD), Exchange rate 56.20

ii. Condonation of both Block wise EO fulfillment & Extension of EOP for two year with addition export obligation of 20% over and above fixed EO.

The firm has stated that the export order was in hand but they were unable to execute the export due to Covid19 and lockdown within 31.12.2021 as per Notification No. 28/2015-20 dated 23.09.2021. Therefore, the firm has requested for condonation of Both block wise EO fulfillment and Extension of EOP for two year with an enhancement in Addition Export Obligation of 20% of total export obligation, over and above 5% additional EO as per para 5.17 (f) vide Notification No. 28 dated 23.09.202. The firm has also requested for re-fix the EO as per actual duty saved for calculation of composition fees.

Decision:

In respect of 1st request, The Committee deliberated upon the case and decided to remand the case to RA to examine the request as per policy provision.

In respect of 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 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/-.

(c) The authorization holder can also avail the benefits of Public Notice No-53 dated 20.1.2023 in addition to (a) and (b) above.

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- 28: Aarupadai Granite Exports, Kanchipuram
F. No. HQREPCGPRAPP00000404AM23

Subject: Request for 2 years EOP Extension i.e. 6+2 years in respect of EPCG Authorization No. 0430012550 dated 31.05.2013 under 0% Concessional Duty.

The firm has stated that they are one of the manufacturing industries in Chennai exporting Granite Slab to various countries to the world. The firm further state that they couldn't fulfill 100% EO in stipulated time period due to:

- During EOP, firm exported 60% but filed all free shipping bills
- No incentives and duty drawbacks for granite blocks
- Covid-19 pandemic leading o difficulty in fulfilling export orders
- Proprietor of the firm suffered from Covid-19 during 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 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.

<u>Case No- 29: Aalidhra Texspin Engineers</u>
F. No. HQRPRCAPPLY00002605AM23

Subject: Request for allowing incentive for fast track companies for fulfilment of EO of clubbed EPCG Authorizations:

i. 5230002415 dated 23.10.2007-under 05% Concessional Duty.

ii. 5230006265 dated 13.08.2009- under 03% Concessional Duty.

iii. 5230008638 dated 18.04.2011- under 03% Concessional Duty.

iv. 5230008654 dated 19.04.2011- under 03% Concessional Duty.

Earlier they had requested the RA, Surat to grant EODC of the above EPCG Authorisations, allowing incentive for fast track companies in terms of Para of 5.11 & 5.09 of the FTP 2004-09 and FTP 2009-14 , respectively and condone the short of EO to the extent of 14.35% of the total specific export obligation, in terms of provisions of Para 5.11 of the FTP 2004-09 . However, RA Surat rejected his request through deficiency letter dated 22.04.2022 and inform them as under:

"You are informed that the benefit of Fast Track as Para 5.09 against clubbing cannot be considered. You have to fulfil 100% EO."

Decision: The Committee went through the statements made by the applicant and noted that the EPCG licenses were issued under different policy period as well as in different years. Committee noted that the applicant has not submitted any cogent reason/justification in support of any genuine hardship faced by them. Accordingly, the Committee decided to **reject** the request.

<u>Case No- 30: Devu Tools Pvt. Ltd., Mumbai</u>
F. No. HQRPRCAPPLY00003461AM23

Subject: Request for extension of EOP for two years against 2 EPCG Authorization Nos. 0330025771 dated 16.04.2010 and 0330029091 dated 25.03.2011 under 0% Concessional duty.

The firm has stated that they were unable to complete their EO due to Covid-19 and lock down. The firm has also stated that they have completed their specific EO as well as AEO for both EPCG Authorization. As per amendment sheet issued by RA Mumbai, EOP has been changed from 6 years to 8 years for both EPCG Authorization.

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.

<u>Case No- 31: QOT Packaging Private Limited, Mumbai</u>
F. No. HQRPRCAPPLY00003287AM23

Subject: Review application for Request for Second EOP Extension by 136 days i.e. beyond 6+2 years in respect of EPCG Authorization No. 0330030187 dated 01.08.2011 under 0% Concessional Duty.

Earlier the firm vide F. No. HQREPCGPRAPP00258522AM22 had requested for above mentioned request i.e. regularization of EO fulfilled beyond 136 days of extended EOP (6+2 years) in respect of subject EPCG Authorization. The case was considered in 3rd EPCG Committee Meeting of AM-23 held on 25.05.2022 and same was rejected.

1. Now, the firm vide present application has stated that they have completed EO to the tune of 143% and requesting to consider start date of EO not from the date of license i.e. 01.08.2011 but from the date of installation of their capital goods i.e. 23.01.2012 and have mentioned the following reasons for the same:

- Received Installation Certificate from Dy. Commissioner, Central Excise, Kalyan-I Division on 20.06.2012 confirming date of installation as 23.01.2012 in respect to the firm's request letters dated 20.03.2012 and 11.06.2012.
- They had applied for electricity connection with MSEDCL on 20.06.2011. Application for loan sanction was received on 19.07.2011 and received power from MSEDCL on 17.02.2012 i.e. 8 months delay from time of application.
- Delay in clearance from Excise and MSEDCL was beyond their control and cost them irreplaceable loss
- Firm has paid excise duty which is approx 228% of duty saved amount and the same has been discharged as monthly liability to central excise and custom duty and hence there is no revenue loss to the department

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 beyond (6+2 years) for 136 days, for regularization purpose only, subject to 2% composition fee on exports made beyond 01.08.2019.

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

This has the approval of DG, DGFT.

<u>Case No- 32: Kerala State Textile Corporation Ltd., (KSTCL)</u>
F. No. HQRPRCAPPLY00003253AM23

Subject: Request for extension of EOP for 8 years i.e. from 2018 to 2026 in order to fulfill their EO against EPCG Authorization no. 5330001310 dated 22.12.2010 under 3% Concessional duty.

The firm has requested for extension of EOP for 8 years i.e. from 2018 to 2026 against EPCG Authorization no. 5330001310 dated 22.12.2010 under 3% Concessional duty. In its application, the firm has said that M/s. Malabar Spinning and Weaving Mills, Calicut is a sick entity acquired by the Government of Kerala and vested with the Kerala State Textile Corporation Limited. The unit was shut down during 2003. In 2006 the unit was reopened with immediate R&M work. The unit was partially modernized in 2010 with government assistance. The machines were imported under EPCG scheme for partial modernization of the said unit with the intention of reducing the project cost. But the unit could not meet the EO due to lack of technology up-gradation.

The firm has also stated that the company cannot export the products due to lack of technological up-gradation to meet the export quality. The slowdown which started during 2011 gripped the unit and this situation continued till 2018 till the stipulated export obligation period was over. The Kerala government allocated fund support to the units from 2019 onwards, but the funds were received only in 2021. Unfortunately, the worldwide outbreak of the Covid-19 pandemic during 2020 prevented the unit from exporting and it was unable to meet the obligation as per the Act. The firm has further informed that overall the turnover of the corporation is 78.77 crores and 132.30 crores in 2020-21 and 2021-22 respectively. Out of this, 28% to 32% of sales turnover, with average 90% utilization, was contributed by this unit. The company has the entire necessary infrastructure and is confident that they will be able to achieve EO over a period of next four years.

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

<u>Case No- 33: Kerala State Textile Corporation Ltd., (KSTCL)</u>
F. No. HQRPRCAPPLY00003247AM23

Subject: Request for extension of EOP for 8 years i.e. from 2018 to 2026 against 5 EPCG Authorization nos. 5330001315 dated 30.12.2010, 5330001320 dated 10.01.2011, 5330001329 dated 24.01.2011, 5330001331 dated 01.02.2011 and 5330001356 dated 29.03.2011 under 3% Concessional duty.

The firm has requested for extension of EOP for 8 years i.e. from 2018 to 2026 against EPCG Authorization Nos. 5330001315 dated 30.12.2010, 5330001320 dated 10.01.2011, 5330001329 dated 24.01.2011, 5330001331 dated 01.02.2011 and 5330001356 dated 29.03.2011 under 3% Concessional duty. In its application, the firm has said that their company could not commence the production due to various cases filed before Hon'ble High Court of Kerala related to Recruitment. Case no. 1699/2012,1700/2012,2516/2012,4352/2012, 9687/2012, 4635/2012, 6227/2012,6252/2012, 6544/2012,11656/2012, 4143/2011,4073/2011, 11513/2011, 27104/2011 were registered against the appointment order of the government and all the cases were resolved on 04.04.2017 and 02.06.2017 only. Consequently, the recruitment process was resumed through GO (RT) No. 24/2018 dated 27.03.2018. Thereafter the units started commercial production from 2018. Till the stipulated export obligation period had expired. It took about a year to streamline the operation to achieve full capacity utilization. Unfortunately, the worldwide outbreak of COVID 19 pandemic during 2020 prevented the unit from exporting and thus unable to meet the obligation as per the Act.

The firm has further informed that overall the turnover of the corporation is 78.77 crores and 132.30 crores in 2020-21 and 2021-22 respectively. Out of this, 28% to 32% of sales turnover, with average 90% utilization, was contributed by this unit. The company has the entire necessary infrastructure and is confident that they will be able to achieve EO over a period of next four years.

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

Case No- 34: Kerala State Textile Corporation Ltd., (KSTCL)
F. No. HQRPRCAPPLY00003250AM23

Subject: Request for extension of EOP for 8 years i.e. from 2018 to 2026 against 2 EPCG Authorization nos. 5330001171 dated 23.07.2008 and 5330001319 dated 04.01.2011 under 3% Concessional duty.

The firm has requested for extension of EOP for 8 years i.e. from 2018 to 2026 against EPCG Authorization nos. 5330001171 dated 23.07.2008, 5330001319 dated 04.01.2011 under 3% Concessional duty. In its application, the firm has stated that Trivandrum Spinning Mills, located at Balaramapuram, Trivandrum, is a Public Sector Undertaking under the Government of Kerala. Due to ineffective working conditions, the unit was shut down during 2007. The unit was reopened in 2007 with immediate R&M work under BIFR package, as the first phase of the project, as per the direction of the Government.

The firm has also stated that the company cannot export the products due to lack of technological up-gradation to meet the export quality. The slowdown which started during 2011 gripped the unit and this situation continued till 2018 till the stipulated export obligation period was over. But the unit performed export during 2017-18 and the obligation amount equivalent to the second license was completed. The documentation procedures are under progress. The firm has stated that they have enough export orders and they will be able to achieve EO over a period of next four years.

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

<u>Case No- 35: Kerala State Textile Corporation Ltd., (KSTCL)</u>
F. No. HQRPRCAPPLY00003246AM23

Subject: Request for extension of EOP for 8 years i.e. from 2018 to 2026 against 2 EPCG Authorization nos. 5330001304 dated 25.11.2010 and 5330001321 dated 10.01.2011 under 3% Concessional duty.

The firm has requested for extension of EOP for 8 years i.e. from 2018 to 2026 against EPCG Authorization nos. 5330001304 dated 25.11.2010 and 5330001321dated 10.01.2011 under 3% Concessional duty. In its application, the firm has said that their company could not commence the production due to various cases filed before Hon'ble High Court of Kerala related to Recruitment. Case no.1699/2012,1700/2012,2516/2012, 4352/2012,9687/2012,4635/2012, 6227/2012, 6252/2012,6544/2012,11656/2012,4143/2011, 407/2011, 11513/2011,27104/2011 were registered against the appointment order of the government and all the cases were resolved on 04.04.2017 and 02.06.2017 only. Consequently, the recruitment process was resumed through GO (RT) No. 24/2018 dated 27.03.2018. Thereafter the units started commercial production from 2018. Till the stipulated export obligation period had expired. It took about a year to streamline the operation to achieve full capacity utilization. Unfortunately, the worldwide outbreak of COVID 19 pandemic during 2020 prevented the unit from exporting and thus unable to meet the obligation as per the Act.

The firm has further informed that overall the turnover of the corporation is 78.77 crores and 132.30 crores in 2020-21 and 2021-22 respectively. Out of this, 12% to 14% of sales turnover, with average 85-90% utilization, was contributed by this unit. The company has the entire necessary infrastructure and is confident that they will be able to achieve EO over a period of next four years.

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

<u>Case No- 36: Kerala State Textile Corporation Ltd., (KSTCL)</u>
F. No. HQRPRCAPPLY00003248AM23

Subject: Request for extension of EOP for 8 years i.e. from 2018 to 2026 against 4 EPCG Authorization nos. 5330001303 dated 25.11.2010, 5330001325 dated 19.01.2011, 5330001330 dated 01.02.2011 and 5330001355 dated 29.03.2011 under 3% Concessional duty.

The firm has requested for extension of EOP for 8 years i.e. from 2018 to 2026 against EPCG Authorization nos. 5330001303 dated 25.11.2010, 5330001325 dated 19.01.2011, 5330001330 dated 01.02.2011 and 5330001355 dated 29.03.2011 under 3% Concessional duty . In its application, the firm has said that their company could not commence the production due to various cases filed before Hon'ble High Court of Kerala related to Recruitment. Case no.1699/2012,1700/2012,2516/2012,4352/2012, 9687/2012,4635/2012, 622/2012, 6252/2012, 6544/2012,11656/2012,4143/2011,4073/2011,115/2011, 27104/2011 were registered against the appointment order of the government and all the cases were resolved on 04.04.2017 and 02.06.2017 only. Consequently, the recruitment process was resumed through GO (RT) No. 24/2018 dated 27.03.2018. Thereafter the units started commercial production from 2018. Till the stipulated export obligation period had expired. It took about a year to streamline the operation to achieve full capacity utilization. Unfortunately, the worldwide outbreak of COVID 19 pandemic during 2020 prevented the unit from exporting and thus unable to meet the obligation as per the Act.

The firm has further informed that overall the turnover of the corporation is 78.77 crores and 132.30 crores in 2020-21 and 2021-22 respectively. Out of this, 25% to 30% of sales turnover, with average 70-75% utilization, was contributed by this unit. The company has the entire necessary infrastructure and is confident that they will be able to achieve EO over a period of next four years.

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- 37: Trisquare Switchgears Private Limited, New Delhi

F. No. HQREPCGPRAPP00000380AM23

Subject: Request for:

i. 1st Block Extension

ii. Condonation of delay in submission of Installation Certificate issued by Chartered Engineer

In respect of EPCG Authorization No. 0530166954 dated 11.02.2016 under 0% Concessional Duty.

The firm has stated that they are manufacturer and exporter of Electrical Control Penal & Accessories etc. and have requested for Condonation of delay in submitting installation certificate and First Block extension Due to lack of procedure knowledge, as they were not able to submit the installation certificate on time to the department as the certificate was issued once the machines installed in their factory. The firm further stated that Block wise extension was delayed due to Covid-19 pandemic and have submitted the Composition fees to CLA New Delhi. As per Installation Certificate dated 11.06.2016 issued by Chartered Engineer enclosed by the firm, machinery was installed at the firm's premises on 24.05.2016 vide BOE No. 4384059 dated 25.02.2016.

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 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 5.14 (c) of HBP 2015-20 and late fee of Rs. 10,000/-
.

This has the approval of DG, DGFT.

In respect of 2nd request, the Committee went through the statements made by the applicant and noted that the applicant has not submitted any cogent reason/justification in support of any genuine hardship faced by them. Accordingly, the Committee decided to **reject** the request.

Case No- 38: Kanodia International Private Limited, New Delhi
F. No. HQREPCGPRAPP00000406AM23

Subject: Request for 1st Block Extension in respect of EPCG Authorization No. 0530165741 dated 01.09.2015 under 0% Concessional Duty.

The firm has stated that they couldn't fulfill their 50% EO in stipulated time period of 1st block due to:

- While applying for EPCG license they had mentioned certain HSN Codes for exports, but due to volatile demand in export market and due to their oversight, they have exported under different HSN Code and those codes were not mentioned earlier. However the firm has fulfilled export obligation within 6 years.
- Initially after importing the machines, they had spent lot of time in developing the products and arranging the market which was another factor of their shortfall of EO in first block.

CLA New Delhi issued a deficiency letter to the firm stating that they have not fulfilled EO in 1st Block in prescribed time period and advised to approach EPCG Committee for extension of 1st block.

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. 3/2015-20 dated 13.04.2022. RA may examine the request on merit.

Case No- 39: Shakti Irrigation India Limited, Indore
F. No. HQRPRCAPPLY00003568AM23

Subject: Request for second EOP Extension i.e. beyond 6+2 years in respect of EPCG Authorization No. 5630000468 dated 07.02.2014 under 0% Concessional Duty.

The firm has stated that they are into manufacturing of submersible pump parts, drip irrigation pipe and fittings and drip irrigation systems. The firm further stated that they couldn't fulfill their 100% EO in stipulated and extended time period due to:

- Performance issues with the machine- poor quality manufactured goods and repairs and maintenance costs

- In-house rejection and sales return- frequent in-house rejections and sales return of goods due to poor quality of goods manufactured
- Rejection of goods exported to Nepal
- Covid-19 pandemic

The firm further stated that they had paid custom duty and interest towards the 1 st Block i.e. 50% of duty saved. The firm has further stated that they have achieved 40.41% EO till date and have identified customers and started exporting goods and have requested for further 2 years of extension to fulfill the remaining 59.59% EO.

Decision: The Committee deliberated upon the case and decided that the **applicant may approach RA** for extension of EO period in accordance with the Public Notice No. 53/2015-20 dated 20.01.2023. RA may examine the request on merit.

Case No- 40: Mangal Murti Fabrics Pvt Ltd., Ahmedabad
F. No. HQREPCGPRAPP00000372AM23

Subject: Request for extension of EOP in respect of EPCG authorization no. 0830002812 dated 24.02.2009 under 3% concessional duty.

The firm vide application dated 21.07.2022 has requested for extension of EOP in respect of EPCG authorisation no. 0830002812 dated 24.02.2009 under 3% concessional duty. In its application, the firm has stated that they have been granted block wise/ extension in EOP in 9th EPCG Committee Meeting held on 24.01.2019. On the basis of the same, they submitted an application with the Office of the Additional DGFT, Ahmedabad.

The firm has further stated that the EOP was endorsed by the RA office only for 15 day time period. The firm has further stated that the EOP was endorsed only for a period of 15 days by the RA office. The firm has also informed that they have requested RA, Ahmedabad to send factual report to EPCG committee for further action but till date they have not received any decision from this directorate. The firm has once again requested to look into the matter as they were unable to finalize the export obligation as per customs procedure and could not register their authorization for export purpose as it was not a valid 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 for delay in approaching RA for second extension in EOP with a condition that 50% of duty payable in proportion to the unfulfilled EO is paid by the authorization holder to custom authorities in terms of provisions contained in Para 5.11 (b) of HBP 2009-14.

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

This has the approval of DG, DGFT.

<u>Case No- 41: Alpine Containers Private Limited, Jammu</u>
F. No. HQREPCGPRAPP00000401AM23

Subject: Request for 1st Block Extension in respect of 2 EPCG Authorization No. 1830000038 dated 11.05.2015 and 1830000040 dated 27.08.2015 under 0% Concessional Duty.

The firm has stated that they couldn't fulfill 50% EO in stipulated time period of 1st Block due to delay in processing of export orders. The firm further stated that they have completed their 100% EO in 2nd Block within stipulated time period.

Decision: The Committee decided to advise the **party to approach RA** concerned in respect of their request for extension in 1st block in terms of provision of Public Notice No. 3/2015-20 dated 13.04.2022. RA may examine the request on merit.

<u>Case No- 42: Savvak Engineering Innovations Private Limited, New Delhi</u>
F. No. HQRPRCAPPLY00003270AM23

Subject: Request for second EOP Extension for 1 year i.e. beyond 6+2 years in respect of EPCG Authorization No. 0530155730 dated 10.06.2011 under 0% Concessional Duty.

The firm has stated that EOP Extension for two years by payment of composition fees was granted by the RA after the expiry of the EOP Period. The Extension letter was issued on 29.07.2019 and that they had completed 70% of EO. The firm further stated that they have executed BG and the same is valid till 30.06.2024.

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 6+2 years and accordingly, the Committee decided to **reject** the request of the applicant.

<u>Case No- 43: Shrijee Lifestyle Private Limited, Mumbai</u>
F. No. 01/36/218/192/AM-21/EPCG

Subject: Request for waiver in penalty amount and additional composition fees in respect of 2 EPCG Authorization Nos. 0330035725 dated 09.05.2013 and 0330035698 dated 08.05.2013 under 0% concessional duty.

The firm has requested for Condonation in delay in filing of ANF-2D as their application for redemption is pending at RA, Mumbai. The firm has further requested to waive the condition of payment of Rs. 5,000/- per year as well as the additional composition fees of Rs. 5,000/-.

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

<u>Case No- 44: Doddanavar Nanjinzhao Mining & Mining & Metallurgy Pvt Ltd., Belgaum</u>
F. No. 01/36/218/139/AM-19/EPCG

Subject: Request for approval for transfer of ownership of CG against EPCG Authorization in respect of EPCG authorisation no. 0730011281 dated 21.05.2012 under 03% concessional duty.

RA, Bangalore vide deficiency letter dated 03.10.2018 has stated that "Prior permission has not been taken from this office for shifting the capital goods from the installed unit to your sister concern. Hence you are requested to approach DGFT, New Delhi". The party has shifted the capital goods to its sister concern without prior permission. The party has stated that RA, Bangalore, vide letter dated 03/10/2018 has advised them to contact HQ for obtaining the permission for transfer of ownership of CG from transferor company M/s. Doddanavar Nanjinzhao Mining & Metallurgy Pvt. ltd. to transferee firm M/s Doddanavar Brothers Mine Owners. The Case was considered in the 1st EPCG Committee Meeting dated 10.06.2020 wherein after deliberation on the request of the firm, the Committee decided to defer it for further examination.

RA, Bengaluru vide letter dated 02.01.2023 has requested for the current status of the case in respect of M/s Doddanavar Nanjinzhao Mining & Metallury Pvt Ltd- EPCG Authorization No. 0730011281 dated 21.05.2012 in order to enable them to finalise the pending SCN. RA, Bengaluru has stated as under:

" *With reference to the above subject, the firm had obtained the said authorization on 21.05.2012 for import of capital goods pertaining to mining sector for the purpose of export of Iron ore pellets (ITCHS 26011210).*

ii. This office had initially rejected the application in view of the restrictions on export of Iron Ore imposed by the Karnataka Government in the year 2010. However, the authorization was later issued as the firm had informed that their project was cleared under the State Level Single Window Clearance and that they would export through MMTC of Kudremukh Iron Ore Company Limited (KIOCL).

iii. The firm has made an application to the EPCG Committee for approval of transfer of ownership of the capital goods to M/s. Doddanavar Brothers Mine Owners as per Business Transfer Agreement (since RA, Bangalore has not accepted their request as the firm had not obtained prior permission). They had also informed that they will maintain the necessary EO after the lift of ban on export of Iron ore from Karnataka. The firm has also stated that their application is deferred by the EPCG Committee for regularization of the transfer of capital goods (case No. 14 of the EPCG Committee Meeting dated 10.06.2020).

iv. The Director General of Audit (Central) Bangalore has made an observation that the license was issued to non –eligible exporters since the authorization was issued during the time of ban and also the fact that the firm had not made any exports.

v. This office has initiated recovery proceedings by way of issuance of SCN to the firm on 26.07.2021 for non-submission of export obligation documents. The firm has responded to the SCN and stated that they are eligible for extension for EOP extension in terms of Para 5.20 in view of the ban imposed on the export Iron Ore.

vi. As per para 5.20 of the Foreign Trade procedures, whenever a ban/restriction is imposed on export of any product, export obligation period in respect of EPCG authorizations already issued prior to imposition of ban on such export products would stand automatically extended for a period equivalent to duration of such ban, without any composition fee. Authorization holder would not be required to maintain average EO as well for the ban period.

vii. However, in the instant case, the authorization was issued after imposition of the ban and not before as specified in Para 5.20 and the firm in not to be covered under the said Para 5.20 of Foreign Trade Procedures."

Decision: The Committee went through the statements made by the applicant 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- 45: JSW Vijaynagar Metallics Ltd., Mumbai and Bhushan Power & Steel Ltd. (BPSL), Kolkata.
F. No. 18/53/AM-23/P-5

Subject: Request for import of non-power transmission transformer from another company being run by JSW Vijaynagar Metallics Ltd., Mumbai and Bhushan Power & Steel Ltd. (BPSL), Kolkata.

The applicant firms have submitted that they want to import Capital goods for their integrated steel plant. The Capital Goods proposed to be imported are non-power transmission transformer for Hot rolled and value added products. The firms have stated that the item of import is not meant for supply of generation/transmission of power/electrical energy in any manner. EPCG Committee has considered similar requests earlier also on recommendation of Ministry of Steel.

After examination of the request, Ministry of Steel was requested to send their comments. Ministry of Steel vide O.M. dated 23.12.2022 has informed that their Ministry has examined the list of electrical equipments proposed under the EPCG Scheme in consultation with technical experts from MECON limited as per the undertaking submitted by the JSW Vijaynagar Metallics Ltd. Mumbai & Bhushan Power and Steel Ltd. Kolkata and sent by the DGFT. It is noticed that electrical equipment proposed under EPCG Scheme are specifically meant for exclusive use in Ladle Furnaces in integrated steel plant of JSW Vijaynagar Metallics Ltd. and Bhushan Power and Steel Ltd. Ministry of Steel certifies the applicability/essentiality of import of capital goods as mentioned above for production of steel by JSW Vijaynagar Metallics Ltd. Mumbai and Bhushan Power and Steel Ltd. Kolkata.

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

This has the approval of DG, DGFT.

Case No- 46 . G S Exports Private Limited, Mumbai
F. No. HQRPRCAPPLY00003308AM23

Subject: Request for second EOP Extension for 5 months i.e. beyond 6+2 years in respect of EPCG Authorization No. 0330028264 dated 29.12.2010 under 0% Concessional Duty.

The firm has stated that with many manufacturing units cropping in last 15 years the profit started dwindling and they had to venture into readymade garments in 2016 and tried finding prospective buyers in Middle East and Africa. The firm further stated that there were delay in approval of sample orders and further cancellation of export orders due to weather and season change. The firm further stated that they selected local exporters through which they could do export of garments up till April 2019. The firm further stated that RA Mumbai mentioned that the subject license expired in December 2018 and their exports were till April 2019 and advised them to approach DGFT HQ for Condonation of shipping the goods 4 months after the expiry of subject EPCG Authorization.

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 6+2 years and accordingly, the Committee decided to **reject** the request of the applicant.

Case No- 47: Jay Dee Fabrics Limited, Ludhiana
F. No. HQREPCGPRAPP00000425AM23

Subject: Request for second EOP Extension for 2 years up to 16.07.2024 i.e. beyond 6+2 years in respect of EPCG Authorization No. 3030012825 dated 18.07.2014 under 0% Concessional Duty

The firm has stated that EOP of subject EPCG Authorization was extended up to 17.07.2022 and due to Covid-19 pandemic and lockdowns they were unable to fulfill EO under force majeure clause. The firm further stated that their unit was running smoothly and were getting export orders but due to Covid-19 pandemic there occurred loss of export orders due to which they couldn't fulfill their 100% EO in stipulated and extended EOP up to 17.07.2022.

Decision: The Committee deliberated upon the case and decided that the **applicant may approach RA** for extension of EO period in accordance with the Public Notice No. 53/2015-20 dated 20.01.2023. RA may examine the request on merit.

Case No- 48: Kartarz Hotel Estates Pvt. Ltd, Ludhiana
F. No. HQREPCGPRAPP00000408AM23

Subject: Request for EOP Extension for 1 month up to 30.06.2022 i.e. beyond 12 years in respect of EPCG Authorization No. 3030006739 dated 24.05.2010 under 03% Concessional Duty.

The firm has stated that they couldn't fulfill their 100% EO in 12 years of Initial and extended EOP due to Covid-19 pandemic leading to lockdowns and banned international flights wherein no foreign visitor could visit India. The firm further stated that they completed EO within 1 month from expiry of EOP i.e. up to 30.06.2022 and has requested to extend the EOP up to 30.06.2022 for regularization.

Decision: The Committee deliberated upon the case and decided that the **applicant may approach RA** for extension of EO period in accordance with the Public Notice No. 53/2015-20 dated 20.01.2023. RA may examine the request on merit.

Case No- 49: Lykis Ltd., Mumbai
F. No. HQRPRCAPPLY00003419AM23

Subject: Request for surrender of EPCG Authorization no. 0230007498 dated 30.12.2011.

The firm has stated that they have also not availed any benefit of Terminal excise duty refund benefit against this licence/invalidation letters. The firm has further stated that they have been informed by all the four machinery suppliers that they (machinery suppliers) have also not availed of any TED benefit / any other benefit under FTP against these suppliers. However only supplier viz M/s. Parucco Foundry Private Ltd has confirmed the same in writing.

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- 50: Schott Poonawalla Private Limited, Mumbai
F. No. HQREPCGPRAPP00000427AM23

Subject: Request for condonation of requirement of mentioning Bill Of Export Nos. in place of invoice Nos. in AEP statement against supplies made to SEZ units in respect of following 16 EPCG Authorizations under 0% Concessional Duty:

i. 0330045606 dated 25.10.2016
ii. 0330035893 dated 22.05.2013
iii. 0330045859 dated 05.12.2016
iv. 0330045861 dated 05.12.2016

v. 0330045863 dated 05.12.2016
vi. 0330046233 dated 19.01.2017
vii. 0330046231 dated 19.01.2017
viii. 0330046642 dated 10.03.2017
ix. 0330046464 dated 20.02.2017
x. 0330046628 dated 09.03.2017
xi. 0330047983 dated 23.10.2017
xii. 0330048211 dated 30.11.2017
xiii. 0330048499 dated 16.01.2018
xiv. 0330048998 dated 03.04.2018
xv. 0330046683 dated 17.03.2017
xvi. 0330046793 dated 29.03.2017

The firm has stated that they are manufacturer exporter of glass containers and hold three star export house certificate and authorized economic operator. The firm stated that they fulfilled specific EO and AEP against subject 16 authorizations and applied for redemption wherein specific EO was completed against supply to 100% EOU Unit and physical/direct export and maintained AEP as per terms and values given in EPCG License.

The firm has further stated that at the time of applying for redemption of subject authorizations, they had mentioned Invoice Number against AEP Statement in case of supply made to SEZ Unit wherein RA Mumbai is asking them to mention Bill of Export Number instead of Invoice Number against supply made to SEZ Unit in AEP Statement . Hence the firm has requested to condone the requirement of mentioning Bill of Export Number in place of Invoice Number in AEP Statement. *RA Mumbai vide D/L dated 03.06.2019 has stated to the firm that their application is deficient as the EO considered for AEP is supplies made to SEZ and hence they have to mention bill of export nos. in the statement of AEP for examining their request.*

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

Case No- 51: Flexo Foam Private Limited, Gurugram
F. No. HQREPCGPRAPP00000349AM23

Subject: Request for EOP Extension in respect of EPCG Authorization No. 0530151085 dated 29.01.2010 under 0% Concessional Duty.

The firm has stated that with the announcement of Fiscal Benefit Schemes in the state of Uttarakhand they were encouraged to expand/diversify by setting up a manufacturing unit in the state to promote the setting up of industries in the under - developed areas of Uttarakhand. The firm further stated that they couldn’t fulfill their 100% EO in stipulated time period.

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

Case No- 52: Sunkap Automation Limited, Hyderabad
F. No. HQREPCGPRAPP00000310AM23

Subject: Request for EOP Extension for 1 year from date of endorsement in respect of 2 EPCG Authorization Nos. 0930003081 dated 18.04.2007 and 0930003892 dated 05.03.2008 under 05% Concessional Duty.

As per ANF-2D, the firm stated that they are the manufacturers of CNC Machines for defense and aerospace sectors and had imported CGs to execute the orders in hand and had a licensing agreement with German company EMAG Gmbh for granitan base slant bed CNC turning centers. The firm further stated that they had already supplied to the Indian customers and EMAG was satisfied with the machines supplied to Indian customers and was contemplating the export of these machines to various countries. The firm further stated that they had fulfilled 60% of EO against EPCG No. 0930003081 Dated18.04.2007 and in December 2009 were put under watch list by BAFA (Federal office for export control) by U.S and E.U. governments and therefore could not export and fulfill EOs. The firm further stated that they have been removed from watch list and are reviving marketing connections with EMAG and other customers and in a position to export the machines to meet the EO requirements. The firm further stated that they are a supplier to Indian Defence organizations namely AGNI program.

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- 53: Kujjal Hotels Pvt. Ltd., New Delhi
F. No. HQREPCGPRAPP00000046AM23

Subject: Request for issue of partial redemption of EPCG Authorization No. 0530154240 dated 14.12.2010 under 3% concessional duty.

The firm has stated that they applied to CLA, New Delhi for partial redemption of EPCG Authorization No. 0530154240 dated 14.12.2010 by allowing up to 50% Export Obligation fulfillment by the group company / managed hotel in terms of Para 5.5 of FTP 2009-2014 . In reply to their application, they have received a deficiency letter dated 23.06.2021 from CLA, New Delhi stating that on the basis of the exports made by their Group Company only and Kujjal Hotels Pvt Ltd.("Company") has not made any export at its own, the Company has to pay CD + Interest on whole value of utilized duty saved amount or approach DGFT.

The firm has also stated that in terms of Para 5.5 of FTP 2009-2014 the Company may fulfill 50% of export obligation from the group company. Accordingly, they applied partial redemption (50%) of EPCG Authorization No. 0530154240 dated 14.12.2010 from the exports made by the group company. The balance 50% will either be fulfilled from our own export or they will pay the CD plus interest to the customs as the case may be.

Decision: After due deliberation, the Committee deferred the case for detailed examination.

Case No- 54: NIF Private Limited, Kanpur
F. No. HQREPCGPRAPP00000420AM23

Subject: Request for:

i. Second EOP Extension for 1 year i.e. beyond 6+2 years

ii. Clubbing of subject EPCG Authorization with another EPCG Authorization No. 0630005624 dated 25.11.2015

In respect of EPCG Authorization No. 0630004600 dated 02.04.2014 under 0% Concessional Duty.

The firm has stated that they have completed the Obligation in stipulated period in USD 707251 and INR 52635579 and in order to complete the EO in terms of USD, they have requested for 1 more year of Extension beyond 2 years EOP Extension which they have already availed.

The firm has further requested for allowing clubbing of subject authorization with their another EPCG Authorization No. 0630005624 dated 25.11.2015 which was issued during different policy period but by the same RA concerned against which they have made some additional obligation in terms of USD and after clubbing of both the Authorizations, the required unfulfilled EO would be completed as required in terms of USD.

Decision:

In respect of 1st of the firm, the Committee deliberated upon the case and decided that the **applicant may approach RA** for extension of EO period in accordance with the Public Notice No. 53/2015-20 dated 20.01.2023. RA may examine the request on merit.

In respect of 2nd 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- 55: Lubi Industries LLP, Ahmedabad
F. No. HQRPRCAPPLY00002367AM23

Subject: Request for clubbing of EPCG Authorisations for regularisation purpose allowing clubbing after EOP against EPCG Authorization no. 0830003049 dated 04.08.2009 under 3% Concessional duty.

The firm has requested for clubbing of 02 EPCG authorisations issued to them viz. 0830003086 dated 21.08.2009 and 0830003244 dated 08.12.2009 under 3% and 0% Concessional duty respectively with EPCG Authorization No. 0830003049 dated 04.08.2009 under 3% Concessional duty for regularisation purpose as allowed in provision contained at para 5.27(f) of current HBP allowing relaxation of condition prescribed at para 5.18.5 in P/N No. 01(RE-2013)2009-2014 dated 18.04.2013. Earlier, the firm vide application dated 08.08.20219 requested for counting of excess exports of EPCG Authorization. The request was examined by the EPCG Committee in its meeting held on 13.09.2019. The decision of the Committee as under:

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

Therefore, the firm has requested for clubbing of all the three EPCG licences and for accepting export valued at USD 2,72,106.88 made under 14 Shipping Bills filed during 04.02.2011 to 29.08.2011 against all the three EPCG licences ,thereby accepting fulfilment of export obligations for all the three EPCG licences.

Decision: The Committee went through the statements made by the applicant and noted that EOP has been already expired 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- 56: Kartarz Hotel Estates Pvt. Ltd, Ludhiana
F. No. HQREPCGPRAPP00000415AM23

Subject: Request for EOP Extension for 2 months up to 05.07.2022 i.e. beyond 12 years in respect of EPCG Authorization No. 3030006661 dated 07.05.2010 under 03% Concessional Duty.

The firm has stated that they couldn't fulfill their 100% EO in 12 years of Initial and extended EOP due to Covid-19 pandemic leading to lockdowns and banned international flights wherein no foreign visitor could visit India. The firm further stated that they completed EO within 2 months from expiry of EOP i.e. up to 05.07.2022 and has requested to extend the EOP up to 05.07.2022 for regularization.

Decision: The Committee deliberated upon the case and decided that the **applicant may approach RA** for extension of EO period in accordance with the Public Notice No. 53/2015-20 dated 20.01.2023. RA may examine the request on merit.

Case No- 57: Jaquar & Company Pvt. Ltd., New Delhi
F. No. HQRPRCAPPLY00003579AM23

Subject: Request for extension of 1st block EOP in respect of EPCG Authorization No. 0530164077 dated 29.12.2014 under 0% Concessional duty.

The firm has stated that they could not fulfill 50% EO in the 1st block within stipulated time period i.e. 4 years but they had fulfilled their EO as well as AEO in 2nd block period. Therefore, the firm has requested for extension of 1st 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 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 proper installation certificate has been submitted within time limits as specified in FTP.

This has the approval of DG, DGFT.

Case No- 58: ALPS Industries Ltd., Meerut
F. No. HQREPCGPRAPP00000391AM23

Subject: Request for review of EPCG Meeting decision held on 08.12.2021 i.e. regularization of excess duty credit utilized within 10% on 5 EPCG Authorization Nos. 0530154584 dated 20.01.2011, 0530156640 dated 30.09.2011 , 0530157866 dated 09.03.2012, 0530157921 dated 19.03.2012 and 0530159570 dated 22.10.2012 under 3% Concessional duty.

The applicant stated that at the time of import they have utilized excess duty saved which is less than 10% permitted as Para 5.16 (a) of HBP 2015-20. However, there was a delay in the payment of differential fees. In this regard, CLA, New Delhi issued a D/L dated 04.02.2021 informing the applicant that the application fee for excess utilization of DSV of license was not paid in terms of Para 5.16(a), and directed it to pay the application fees as per Public Notice 22 dated 31.07.2019.

The request of the firm was considered in the 10th meeting of EPCG Committee held on 08.12.2021 and decided as under:

> *The applicant has also stated that at the time of import they have utilized excess duty saved which is less than 10% permitted as Para 5.16 (a) of HBP 2015- 20. However, there was a delay in the payment of differential fees. In this regard, CLA, New Delhi issued a D/L dated 04.02.2021 informing the applicant that the application fee for excess utilization of DSV of license was not paid in terms of Para 5.16(a), and directed it to pay the application fees as per Public Notice 22 dated 31.07.2019.*
>
> *The Committee deliberated upon the case and decided to recommend to DG for relaxation under Para 2.58 of FTP, 2015- 20 for condonation of procedural lapse of delay of more than a month in payment of fee for excess duty saved amount as envisaged in the Para 5.16(a) of HBP 2015- 20,* ***subject to payment of composition fee of Rs. 5000/- per year per authorization and to the condition that the excess utilization is not more than 10% of duty saved mentioned in the subject EPCG authorizations. The party is also***

required to pay an additional composition fee of Rs. 5,000/- for each year of delay beyond the expiry of the period of two years of the excess import taking place for the subject authorizations. *The permission is subject to the installation of capital goods as per policy.*

This has the approval of DG, DGFT."

Now, the firm has stated that they had submitted their application for acceptance of the late deposited additional fee against excess utilization of duty saved amount, not more than 10% than allowed duty saved amount, as indicated on 5 EPCG Authorizations, without imposing any further penalty, but it is regretted to state that the order issued against their submitted application, have imposed huge Additional composition fee / penalty worth Rs.210000.00 (two lakh ten thousand) against excess utilization of a little duty saved amount of Rs. 13524.00, as per enclosed calculation sheet.

Further, the firm has stated that they are not in position to deposit such huge amount due to company's financial constraints. Therefore, the firm has requested for review the earlier passed order. The firm has also referred the revised Provision of Para 5.16 (a), as amended vide Public Notice No. 03/2015-2020 dated 13.04.2022, which contains the provision that the additional fee is required to be furnished at the time of application for EODC, without any condition of payment of additional 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** 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. 5,000/- 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- 59: Kuttanadu Coir & Rubber Products, Kerala
F. No. HQRPRCAPPLY00000940AM23

Subject: Request for condonation of non-maintenance of AEO in respect of EPCG Authorization no. 1030002015 dated 01.08.2011 under 3% Concessional duty.

The firm has informed that initially no Central Excise duty was paid by the firm since it was a Deemed Export Clearance. Later on they were asked to pay the duty and they paid the Duty with interest. Then they requested for cancellation of authorization. By that time they had not availed any concessions under EPCG Scheme. This was not allowed and they were asked to apply for refund of the duty paid. They followed the procedure.

However, RA, Kochi in February 2022 issued a Notice dated 23.02.2022 directing them to show cause as to why adjudication action should not be taken against for violation of conditions attached to the aforesaid Authorization. The firm has stated that the period of 8 years stipulated in the Authorization for fulfillment of the specific EO and Average Annual Turnover was over by July 2019 and the Show Cause Notice was issued in Feb 2022. They had approached the DGFT for Policy Relaxation vide their representation dated 24.01.2018, which was treated in the list of incomplete cases as the documents were incomplete in PRC meeting 25/A-19 dated 18.12.2018.

The firm has intimated that they have utilized duty saved valued of Rs. 8,16,000.00 and have fulfilled our specific EO in 2011-12 period for Rs. 74,28,1112.00 and their Annual Average obligation was fixed at Rs.3,81,33,333.33. During the year 2011-12 to 2014-15 they have a total export turnover of Rs. 11,27,35,147.00 other than the specific EO. The average of total export comes 2.81 crore which is 78% Average Annual turnover fixed.

The firm has requested for condoning the remaining part of the AEO and allows them to redeem the authorization issued to them. The firm has also requested that their product is Animal Husbandry Product (Live Stock) and EPCG Ch.5.13 exempts the exporter from maintenance of AEO. The firm has also clarified that their product Rubber Cow Mats are made of Natural Rubber and reclaimed rubber and used as cow comfort beddings in Cow Shed s all over the world. Rubber Cow Mat is a Farm Equipment for Live Stock used as cow comfort beddings in Cow Sheds all over the world. It is eco friendly, reduces medical expenses towards cattle. Guards from hoof diseases and greatly reduces the growth of bacteria and fungi. Do not cause wounds and knees while lying or getting up. Increase in productivity due to better bedding comfort for the cattle and thereby enhancement of financial return. It can rightly be said that it is an Animal Husbandry Products used as farm equipment (Live Stock) and it is felt that this fit for the exemption.

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- 60: T R Bahri And Sons, Mumbai
F. No. HQRPRCAPPLY00003914AM23

Subject: Request for second EOP Extension i.e. beyond 8+2 years in respect of EPCG Authorization No. 0330015238 dated 27.02.2007 under 05% Concessional Duty.

The firm has stated that for subject EPCG Authorization No. 0330015238 dated 27.02.2007 100% EO could not be fulfilled within the EOP and had obtained extension of 2 years. The firm has further stated that still they couldn't fulfill 100% EO in extended time period and couldn't apply for second EOP Extension to RA in stipulated time due to:

- Unavoidable Reasons & Internal Mismanagement of Records and lack of awareness / understanding of the Policy related provisions
- Covid-19 pandemic from March 2020 and its related lockdowns
- Hotel & tourism Sector being worst affected due to Covid-19 wherein many Hotel staff handling the Documentation & License matters had left causing lot of hardship and delay in completing work.

Firm further stated that they submitted their Application to RA Mumbai for 2nd EOP extension on 23.06.2022 wherein RA Mumbai stated that the application was not made within the prescribed time as per Para 5.11 of HBP (2006-07) for further extension of EOP by 2 years, by payment of 50% duty and hence requested them to regularize the case by payment of full duty and interest. The firm further stated that they have fulfilled 100% EO against the aforesaid EPCG License.

Decision: The Committee deliberated upon the case and observed that even extendable period in export obligation also over now 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- 61: Five Star Offset Printers, Kochi

F. No. HQREPCGPRAPP00000528AM23

Subject: Request for extension of EOP for two years i.e. from 31.12.2021 to 3 years in respect of EPCG Authorization No. 1030001809 dated 20.09.2010 under 3% Concessional duty.

The firm has stated that they could not fully complete their EO even after extending EOP from 8 years to 10 years and considering Notification no. 28 dated 23.09.2021 upto 31.12.2021. The reason given by the firm for not fulfilling the EO is that the printing industry has changed the printing method from offset printing to digital printing, the end result of which is a drastic decline in commercial printing (90% decline). Exports were also very slow due to global recession and pandemic COVID-19. Another reason is the shortage of containers which has also affected their export business in a big way. Also note, there has been a huge increase in freight rates by ship/flight companies.

The firm has further stated that they requested to RA, Kochi to consider EO extension till 31.12.2021 without composition fee as per Notification. 28 dated 23.09.2021. RA, Kochi, replied as “No separate EO extension amendment is needed for that”.

The firm has stated that at this stage, they are unable to import new machines capable of digital printing due to financial constraints. However, they are managing the exports with their valuable clients in foreign countries and are continuing the same by using imported offset printing machines. Presently, they have sufficient export orders in hand and can meet the balance EO against the above EPCG authorization.

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

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

This has the approval of DG, DGFT.

<u>Case No- 62: The Lakshmiammal Matches Industry, Tamil Nadu</u>
F. No. HQRPRCAPPLY00208315AM22

Subject: Request for closure of EPCG License in lieu of third party exports in respect of EPCG Authorization No. 3530003720 dated 22.07.2009 under 03% concessional duty.

The firm has stated that they have fulfilled their EO through third party exports but RA Madurai rejected their request for redemption due to free shipping bills.The firm has further stated that their case was put up in EPCG Committee regarding the same and was rejected on 25th August 2017. The firm's case was again put up in EPCG Meeting on 29th November 2018 and 14th June 2019 wherein decision was taken pertaining to examination on file.

The firm has informed that they had submitted draw back shipping bills but haven't received any final decision from EPCG Committee till date. The firm further stated that they are receiving reminders from Customs department for submission of redemption letter. Earlier, the applicant vide letter dated 16.05.2017, requested for fulfillment of export obligation through third party without assessed under EPCG Scheme against EPCG authorization No. 3530003720 dated 22.07.2009 issued to them under 3% EPCG duty scheme. They are not aware that if they export under EPCG license then they have to file as per custom procedure. They have already mention EPCG license number on the shipping bills and all shipping bills are not free shipping bills. The request was taken up in the EPCG Committee meeting held on 25.08.2017 and it was decided to **reject** it as free shipping bills are not allowed under EPCG Scheme.The request was taken up in the EPCG Committee meeting held on 25.08.2017 and it was decided to **reject** it as free shipping bills are not allowed under EPCG Scheme.

Again the firm vide letter dated 23.09.2017 and 27.08.2018 requested for review of the decision taken in the EPCG Committee meeting held on 25.08.2017 and submitted that all shipping bills are not free shipping bills and taken the Draw Back from Customs. The case was again placed in EPCG Committee meeting held on 29.11.2018 and 14.06.2019 and it was decided to defer the case for examination on file.

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

<u>Case No- 63: ADM Agro Industries Latur & Vizag Pvt. Ltd. (formerly known as Tinna Oils Chemicals Ltd) , New Delhi</u>
F. No. HQRPRCAPPLY00003293AM23

Subject: Request for acceptance installation certificate issued by Chartered Engineer instead of Central Excise in respect of EPCG License No. 0530142022 dated 25.09.2006 under 5% concessional duty.

The firm has stated that the Installation Certificate originally obtained by the Company was misplaced during the shifting of its Corporate Office. Thereafter, the firm requested the Chartered Engineer to re-issue the certificate and submit it to CLA, New Delhi. The firm has further stated that they have fulfilled their EO and applied for EODC for EPCG License No. 0530142022 dated

25.09.2006 under 5% concessional duty. But, CLA, New Delhi vide D/L dated 24.09.2020 has conveyed to them as under:

> *"You are advised to approach Hqrs for relaxation in policy of submission of installation from Chartered Engineer instead of Central Excise."*

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- 64: ADM Agro Industries Latur & Vizag Pvt. Ltd. (formerly known as Tinna Oils Chemicals Ltd) , New Delhi
F. No. HQRPRCAPPLY00003291AM23

Subject: Request for acceptance installation certificate issued by Chartered Engineer instead of Central Excise in respect of EPCG License No. 0530141412 dated 05.07.2006 under 5% concessional duty.

The firm has stated that the Installation Certificate originally obtained by the Company was misplaced during the shifting of its Corporate Office. Thereafter, the firm requested the Chartered Engineer to re-issue the certificate and submit it to CLA, New Delhi. The firm has further stated that they have fulfilled their EO and applied for EODC for EPCG License No. 0530141412 dated 05.07.2006 under 5% concessional duty to CLA, New Delhi. But, CLA, New Delhi vide D/L has conveyed to them as under:

> *"You are advised to submit installation certificate from Central Excise or approach to EPCG Committee 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- 65: ADM Agro Industries Latur & Vizag Pvt. Ltd. (formerly known as Tinna Oils Chemicals Ltd) , New Delhi
F. No. HQRPRCAPPLY00003292AM23

Subject: Request for acceptance installation certificate issued by Chartered Engineer instead of Central Excise in respect of EPCG License No. 0530141644 dated 01.08.2006 under 5% concessional duty.

The firm has stated that the Installation Certificate originally obtained by the Company was misplaced during the shifting of its Corporate Office. Thereafter, the firm requested the Chartered Engineer to re-issue the certificate and submit it to CLA, New Delhi. The firm has further stated that they have fulfilled their EO and applied for EODC for EPCG License

No. 0530141644 dated 01.08.2006 under 5% concessional duty to CLA, New Delhi. But, CLA, New Delhi vide D/L dated 24.09.2020 has conveyed to them as under:

> *"You are advised to approach Hqrs for relaxation in policy of submission of installation from Chartered Engineer instead of Central Excise."*

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: AKCT Cidambaram Cotton Mill Pvt. Ltd., Chennai
F. No. HQRPRCAPPLY00002518AM23

Subject: Request for condonation for late submission of Installation certificate issued by Chartered Engineer against EPCG Authorization No. 0430009871 dated 23.05.2011.

The firm has stated that the applicant indigenously sourced the spare parts between the years 2011 to 2013 and installed the same in the years 2011 to 2013. Since the Applicant is an unregistered Excise dealer, obtained the installation certificate from the chartered engineer in the year 2013 itself. But on bonafide belief of same to be filed along with Application for Export discharge obligation certificate as filed on 18.08.2021 submitted the installation certificate. Since the applicant on a bonafide belief held that no time limit for is prescribed for unregistered dealer under central excise act instead it be complied with filing along with Application for Export discharge obligation certificate which was filed within the limitation period. The Applicant received a defect notice dated 28.08.2021 and SCN notice dated 19.04.2022 in which one of the defects pointed is delay in submitting the installation certificate.

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- 67: Magnum Sea Foods Ltd., Bhubaneswar
F. No. HQREPCGPRAPP00000025AM23

Subject: Request for condonation for late submission of Installation certificate issued by Chartered Engineer against EPCG Authorization No. 2330001449 dated 03.08.2018 under 0% Concessional duty**.**

The firm has stated that they had imported the goods on 19.09.2018 and installed the plant within one month and obtained the installation certificate on 20.10.2018 and submit installation certificate within 6 months i.e. by 18.03.2019. The firm has also stated that they had fulfilled the export obligation even before completing 3 years. The firm has further stated that they had submitted all the documents along with installation certificate for redemption to RA, Cuttack. But due to closure of RA, Cuttack their case has been transferred to RA, Kolkata. Accordingly, they had submitted all the documents along with installation certificate for redemption to the RA, Kolkata. RA, Kolkata vide D/ L dated 14.03.2022 has conveyed them as under:

> *"As per para 5.04 of HBP, 2015-20, the installation certificate was required to be submitted within six months/18 months with composition fee. But in this case the period of submission of installation certificate is beyond 18 months from the date of import. Hence, you are requested to approach to DGFT, New Delhi, for condonation of delay."*

Decision: The Committee deliberated upon the case and decided to **defer** the case and call for a report from RA regarding the submissions made by the applicant that they have previously submitted the installation certificate to RA, Cuttack way back in 2019. RA should send comprehensive report after verifying records.

Case No- 68: Magnum Sea Foods Ltd., Bhubaneswar
F. No. HQREPCGPRAPP00000041AM23

Subject: Request for condonation for late submission of Installation certificate issued by Chartered Engineer against EPCG Authorization No. 2330001528 dated 14.12.2018 under 0% Concessional duty.

As per Installation certificate issued by Chartered Engineer on 23.02.2019 , CG was imported on 28.01.2019, installed at the premises place on 19.02.2019. 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 14.03.2022 informing the applicant that as per para 5.04 of HBP 2015-20, the installation certificate was required to be submitted within 6 months/18 months with composition fee. But in this case period of submission of installation certificate is beyond 18 months from date of import. Hence, the firm are requested to approach to DGFT, New Delhi for condonation of delay.

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

Case No- 69: Magnum Sea Foods Ltd., Bhubaneswar
F. No. HQREPCGPRAPP00000040AM23

Subject: Request for condonation for late submission of Installation certificate issued by Chartered Engineer against EPCG Authorization No. 2330001539 dated27.12.2018 under 0% Concessional duty.

The firm has stated that they had imported the goods on 07.03.2019 and installed the plant within one month and obtained the installation certificate on 10.09.2019. The firm has also stated that they had fulfilled the export obligation even before completing 4 years. The firm has further stated that they had submitted all the documents along with installation certificate for redemption to RA, Cuttack. But due to closure of RA, Cuttack their case has been transferred to RA, Kolkata. Accordingly, they had submitted all the documents along with installation certificate for redemption to the RA, Kolkata. RA, Kolkata vide D/ L dated 14.03.2022 has conveyed them as under:

> *"As per para 5.04 of HBP, 2015-20, the installation certificate was required to be submitted within six months/18 months with composition fee. But in this case the period of submission of installation certificate is beyond 18 months from the date of import. Hence, you are requested to approach to DGFT, New Delhi, for condonation of delay."*

Decision: The Committee deliberated upon the case and decided to **defer** the case and call for a report from RA regarding date of submission made by applicant that they have submitted all the documents to RA, Cuttack. RA should send comprehensive report after verifying records.

Case No- 70: Mahendra Brothers Exports Private Limited, Mumbai
F. No. HQREPCGPRAPP00000422AM23

Subject: Request for Condonation of delay of 44 days in submitting Installation Certificate issued by Chartered Engineer in respect of EPCG Authorization No. 0330052198 dated 07.02.2020 under 0% Concessional Duty.

The firm has stated that there was a delay in submission of Installation Certificates due to Peak of Covid-19 pandemic immediately after the installation of capital goods. The firm further stated that they had obtained the certificate from chartered engineer but could not submit the same to RA immediately after / during installation of capital goods and have requested the EPCG committee to condone the delay in submission of Installation Certificate.

The firm has stated that Installation Certificate was submitted to RA concerned on 14.05.2021 and last date of filing of Installation Certificate as per P.N. 01 dated 07.04.2020 was 31.03.2021 which makes it a delay of 44 days of late submission.As per Installation Certificate issued by Chartered Engineer enclosed by the firm, machinery was installed at the firm's premises on 21.05.2020 vide BOE No. 7662716 dated 14.05.2020.

Decision: The Committee deliberated upon the case and decided to **recommend to DG for relaxation under Para 2.58 of FTP 2015-20** to allow condonation of delay in 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- 71: Mahendra Brothers Exports Private Limited, Mumbai
F. No. HQREPCGPRAPP00000421AM23

Subject: Request for Condonation of delay of 16 days in submitting Installation Certificate issued by Chartered Engineer in respect of following 3 EPCG Authorizations under 0% Concessional Duty:

i. 0330051557 dated 23.09.2019

ii. 0330051663 dated 16.10.2019

iii. 0330052172 dated 03.02.2020

The firm has stated that there was a delay of 16 days in late submission of Installation Certificates due to Peak of Covid-19 pandemic immediately after the installation of capital goods. The firm further stated that they had obtained the certificate from chartered engineer but could not submit the same to RA immediately after / during installation of capital goods and have requested the EPCG committee to condone the delay in submission of Installation Certificate. The firm has stated that Installation Certificates were submitted to RA concerned on 16.04.2021 and last date of filing of Installation Certificate as per P.N. 01 dated 07.04.2020 was 31.03.2021 which makes it a delay of 16 days of late submission.

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.

<u>Case No- 72: Ideal Knit Fab Pvt. Ltd., Kolkata</u>
F. No. HQREPCGPRAPP00000332AM23

Subject: Request for condonation for late submission of Installation certificate issued by Chartered Engineer against EPCG Authorization No. 0230008787 dated 29.04.2013 under 0% Concessional duty.

The firm has stated that they could not submit installation certificate within stipulated time period due to some unavoidable circumstances, person in charge to co-ordinate all this left the job suddenly, without handing over the documents etc. The firm has also stated that they are not registered with the respective excise authority. RA, Kolkata vide their D/L dated 06.06.2022 has conveyed to them as under:

> *"Since, you have submitted the Installation certificate beyond the prescribed time period as per 5.04 of HBP, You are requested to approach to DGFT, New Delhi, for condonation of delay in submission. "*

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- 73: Alpine Apparels Private Limited, Faridabad
F. No. HQREPCGPRAPP00387508AM22

Subject: Request for Condonation of Delay in submission of Installation Certificate issued by Chartered Engineer in respect of EPCG Authorization No. 0530171890 dated 01.03.2018 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.

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- 74: Kunda Venkateswara Rao, Telangana
F. No. HQRPRCAPPLY00003343AM23

Subject: Request for Condonation of delay in submitting Installation Certificate issued by Chartered Engineer (Non-excisable product) in respect of EPCG Authorization No. 0930011055 dated 23.03.2015 under 0% Concessional Duty.

The firm has stated that they have imported the Capital Goods and the same were installed in their factory premises. The firm has further stated that their end / export product is Non-excisable products and therefore they have obtained Installation certificate from Independent Chartered Engineer in terms of Para 5.04 HBP of FTP 2015-20 but due to unawareness of the policy provisions regarding the procedure for EPCG Scheme they couldn’t submit the Installation Certificate within stipulated time period. The firm has further stated that they have new export orders to be fulfilled and are trying to apply for EOP extension since as per the FTP their EPCG license is eligible for extension up to 22.03.2022 but are unable to make the necessary applications as the RA has raised concerns about the Installation Certificate.

RA Hyderabad has issued a D/L to the firm stating that Installation Certificate is not submitted within time limit. Moreover, since the period of first block extension sought for and the total period of EOP had already expired, the firm was requested to regularize the entire issue by paying duty plus interest immediately.

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: Balaji Chawal Mills Private Limited, UP
F. No. HQREPCGPRAPP00000352AM23

Subject: Request for condonation of delay in submitting Installation Certificate issued by Chartered Engineer in respect of EPCG Authorization No. 1530001191 dated 04.11.2019 under 0% Concessional Duty.

The firm has stated that Installation Certificate was issued on 21.09.2020 but couldn't be submitted to RA Varanasi under prescribed time period due to unavoidable reason. RA Varanasi has issued letters in respect of 4 Invalidation Letters to the firm stating that the above mentioned Advance Authorization has been invalidated for direct import in terms of relevant provision of HB and policy 2015-20 as the exporters will procure import items indigenously. The utilization of invalidation letter would be subject to relevant provisions of FTP/HBP 2015-20 as applicable. As per Installation Certificate dated 21.09.2020 issued by Chartered Engineer enclosed by the firm, machinery was installed at the firm's premises on 21.09.2020. The IC states that the firm has locally procured capital goods under subject EPCG License issued by RA Varanasi vide below mentioned Invalidation Letter Number.

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

Case No- 76: B S Engineering Machinery Private Limited, Kolkata
F. No. HQREPCGPRAPP00000419AM23

Subject: Request for Condonation of delay in submitting Installation Certificate issued by Chartered Engineer in respect of 2 EPCG Authorization Nos. 0230013114 dated 13.06.2018 and 0230013115 dated 13.06.2018 under 0% Concessional Duty.

The firm has stated that they missed the deadline for submitting installation certificate to RA Kolkata. The firm further stated that they had got the Installation Certificates made timely but were not aware of the rules unless informed later and stated that the DGFT website has a new portal to upload 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- 77: Jatia Chemicals Private Limited, Kolkata
F. No. HQREPCGPRAPP00000397AM23

Subject: Request for Condonation of delay in submitting Installation Certificate issued by Chartered Engineer in respect of EPCG Authorization No. 0230012420 dated 24.04.2017 under 0% Concessional Duty.

The firm has stated that there was a delay in installation of CGs due to technical problems in the plant and were later installed in January 2018 and started its operations by 05.02.2018. The firm further stated that Installation Certificate was obtained from Chartered Engineer on 18.06.2018 and was further submitted to RA Kolkata on 31.12.2018. The firm further mentioned that they have fulfilled their 100% EO in 1 st Block itself and EODC application is pending with RA Kolkata.

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: Superchem Finishers, Bangalore
F. No. HQREPCGPRAPP00000048AM23

Subject: Request for condonation of delay in submission of Installation Certificate attested by GST range in respect of EPCG Authorization No. 0730013743 dated 28.08.2014 under 0% Concessional duty.

The firm vide application dated 15.04.2022 has requested for condonation of delay in submission of Installation Certificate attested by GST range in respect of EPCG Authorization No. 0730013743 dated 28.08.2014 under 0% Concessional duty. The firm has stated that they are located in Bangalore and are Manufacturer of Machined Mechanical Parts and had imported CNC Turning Machining Center against the Bill of Entry No. 6827129 dated 20.09.2014 against subject EPCG Authorization and installed the machinery in their factory on 21.11.2014. 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 the Chartered Engineer.

The firm has further stated that they had not obtained the installation certificate from the Jurisdictional Central Excise Authority at the time of import of capital goods and have obtained the Installation Certificate from GST Authority after the due verification. As per Installation Certificate dated 11.03.2022 issued by Office of the Superintendent of Central Tax, Bengaluru North West GST Commissionerate enclosed by the firm, machinery was installed at the firm's premises on 21.11.2014 with BOE No. 6827129 dated 20.09.2014.

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- 79: Green Agri Corp Pvt. Ltd., New Delhi
F. No. HQRPRCAPPLY00003412AM23

Subject: Request for condonation for late submission of Installation certificate issued by Chartered Engineer against EPCG Authorization No. 0530167123 dated 08.03.2016 under 0% Concessional duty.

The firm has stated that they had sent the installation certificate to the RA by normal courier, but the RA did not received. The firm has also stated that they have completed their EO before the expiry of the first EOP.

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- 80: PCBL Limited, Kolkata
F. No. HQRPRCAPPLY00003194AM23

Subject: Request for Condonation of delay in submission of Installation Certificate issued by Chartered Engineer in respect of EPCG Authorization No. 0230013992 dated 05.11.2019 under 0% Concessional Duty.

The firm has stated that they were unable to submit their Installation Certificate to RA Kolkata within stipulated time period due to Covid-19 pandemic. The firm has requested for Condonation of late submission of the same as per Para 5.04 of HBP 2015-20.As per Installation Certificate dated 20.06.2021 issued by Chartered Engineer enclosed by the firm, machinery was installed at the firm's premises on 10.06.2021 and 14.06.2021 vide BOE No. 6424495 dated 10.01.2020. Accordingly, the firm was requested to ascertain the date of submission of Installation Certificate to RA concerned. Now, the firm has stated that the IC was submitted to RA on 14.06.2022.

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

Case No- 81: PCBL Limited, Kolkata
F. No. HQRPRCAPPLY00003191AM23

Subject: Request for Condonation of delay in submission of Installation Certificate issued by Chartered Engineer in respect of EPCG Authorization No. 0230013617 dated 29.03.2019 under 0% Concessional Duty.

The firm has stated that they were unable to submit their Installation Certificate to RA Kolkata within stipulated time period due to Covid-19 pandemic. The firm has requested for Condonation of late submission of the same as per Para 5.04 of HBP 2015-20.As per Installation Certificate dated 10.05.2021 issued by Chartered Engineer enclosed by the firm, machinery was installed at the firm's premises on 25.12.2020 vide BOE No. 4021986 dated 11.07.2019.Accordingly, the firm was requested to ascertain the date of submission of Installation Certificate to RA concerned. Now, the firm has stated that the IC was submitted to RA on 06.04.2022.

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

<u>Case No- 82: PCBL Limited, Kolkata</u>
F. No. HQRPRCAPPLY00003192AM23

Subject: Request for Condonation of delay in submission of Installation Certificate issued by Chartered Engineer in respect of EPCG Authorization No. 0230013616 dated 29.03.2019 under 0% Concessional Duty.

The firm has stated that they were unable to submit their Installation Certificate to RA Kolkata within stipulated time period due to Covid-19 pandemic. The firm has requested for Condonation of late submission of the same as per Para 5.04 of HBP 2015-20.As per Installation Certificate dated 24.06.2021 issued by Chartered Engineer enclosed by the firm, machinery was installed at the firm's premises on 17.12.2020 vide BOE No. 6978028 dated 22.02.2020. Accordingly, the firm was requested to ascertain the date of submission of Installation Certificate to RA concerned. Now, the firm has stated that the IC was submitted to RA on 07.03.2022.

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

<u>Case No- 83: PCBL Limited, Kolkata</u>
F. No. HQRPRCAPPLY00003193AM23

Subject: Request for Condonation of delay in submission of Installation Certificate issued by Chartered Engineer in respect of EPCG Authorization No. 0230013497 dated 24.01.2019 under 0% Concessional Duty.

The firm has stated that they were unable to submit their Installation Certificate to RA Kolkata within stipulated time period due to Covid-19 pandemic. The firm has requested for Condonation of late submission of the same as per Para 5.04 of HBP 2015-20.As per Installation Certificate dated 24.06.2021 issued by Chartered Engineer enclosed by the firm, machinery was installed at the firm's premises on 21.12.2020 vide BOE No. 2114389 dated 19.02.2019.Accordingly, the firm was requested to ascertain the date of submission of Installation Certificate to RA concerned. Now, the firm has stated that the IC was submitted to RA on 01.03.2022.

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

Case No- 84: Aqeel Leathers, Chennai
F. No. 01/60/162/276/AM-20/PRC/EPCG
(HQRPRCAPPLY00003917AM23
HQRPRCAPPLY00003918AM23)

Subject: Request for relaxation for fulfillment of Block-wise EO for counting of exports made by Group company with alternate product or 2 years EOP extension against EPCG authorisations No. 0430003704 dated 11.05.2006 and 0430005137 dated 09.07.2007.

The firm has stated that Aqeel Leather is a Group company of Mohib Shoes Private Limited, owned by the same people (K.Mohamed Hohibbullah and M. Aqeel Ahmed) Partnership Deed of Aqeel leathers and the Memorandum of Mohib Shoes Private Limited is Enclosed for your reference. Aqeel Leathers is a partnership Firm.Since, they were not getting any overseas orders as the name mentions Leather and the overseas buyers got the impression that Aqeel leathers is a company dealing in only finished leather. They are a Manufacturer of Leather Full Shoes, but they were unable to procure overseas orders, in spite of our meticulous follow ups and even visits to the overseas market. So, they decided to move the company to Private Limited Firm for better exploitation of overseas business. They named the company as Mohib Shoes Private Limited. The Partners of Aqeel Leathers are the Directors of Mohib Shoes Private Limited. The entire re-investment was brought in by the same people. After the name change, they have started procuring overseas orders and expanded the facility with more skilled labours and staff. The imported machinery under the above mentioned EPCG License in the name of Aqeel leathers was installed at the premises as mentioned in the condition sheet. As, stated, they were not able to procure any overseas order in the name of Aqeel Leathers and there is no export made, by Aqeel Leathers after the import of this machinery under this EPCG License.

Due to unawareness and knowledge, they wrongly mentioned and obligated to export ITCHS Code-41022110 (Leather Shoe Components and Finished Leathers) instead of RITC Code-64035111(Men leather Full Shoes made of Cow Leather).The finished leather is being manufactured in this machinery and then gets completed in to Full Shoes. This set up, helped us for speedy, efficient and quality manufacturing process. Then, we were able to obtain overseas orders and we were able to fulfill our staff and labours requirement. The change in the name helped us expand and to provide jobs for about Seven Thousand Employees, today. It was only, recently, they realized that there is a mistake in mentioning the export obligation ITC Code. It was genuine mistake committed by them.

The applicant has requested to approve and pass the necessary order, enabling Mohib Shoes Private Limited to fulfill the obligation of Aqeel leathers or extend the validity of the License for another two years, enabling them to fulfill the obligation in the name of Aqeel leathers.

M/s. Aqeel Leathers, Chennai is a partnership firm which obtained the EPCG authorization No. 0430005137 dated 09.07.2007 to export ITCHS Code-41022110 (Leather Shoe Components and Finished Leathers) .

- Since there was not much demand in the global market for leather shoe components and finished leathers, they are claiming to have completed their EO through their owned and associated concern M/s. Mohib Shoes Pvt. Ltd with alternate product “Mens Leather Shoes”.

- As per the statement of the firm, the imported CG is capable of Manufacturing Leather shoes also and they started manufacturing Mens Full Shoes and exported in name of Mohib Shoes Private Limited mentioning the Aqeel Leathers EPCG License numbers.

- The request of the party is to count of exports made by M/s. Mohib Shoes Pvt Ltd for fulfillment of EO by including ITCHS Code-64035111 (Men Leather Full Shoes made of Cow Leather) in the license and accept third party exports to fulfill the EO.

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

<u>Case No- 85: Attero Recycling Pvt. Ltd., Haridwar (Uttarakhand)</u>
F. No. HQREPCGPRAPP00000598AM23

Subject: Request against EPCG Authorization No. 6130000116 dated 21.11.2008 under 03% Concessional duty :

i. Extension of EOP for 2 years from date of endorsement against above EPCG Authorization.
ii. Consider 100% alternate export product for fulfillment of export obligation as Para 5.4 of FTP 2004-2009 against above EPCG Authorization.

The firm has stated that due to the unorganized sector for the collection of e-waste and the heavy financial crunch, they could not fulfill the export obligation within the extended period of **EOP i.e. 10 years (up to 20.11.2018).** The firm has also stated that due to the non-repayment of the bank's loan, their unit was brought under Board for Industrial and Financial Reconstruction (BIFR)/ National Capital Law Tribunal (NCLT) for the period of 3 years from 2015 to 2018. The firm has further stated that as per the provision in the Foreign Trade Policy, if any unit is under BIFR/NCLT, the period will not be considered for fulfilling the export obligation, till the unit comes out of their purview.

The firm has further stated that they were not able to fulfill 100% export obligation by the export of valuable products from e-waste, therefore, as per policy provision, 100% export obligation could be fulfilled by exporting other product(s) as per Para 5.4 of FTP 2004-2009. In this connection, they have informed that they will be able to export Manganese metal, Graphite powder, Copper Ingots/Billets, Aluminum Alloys Ingots/ Billets, Iron & Steel in long and flat forms, plastic, etc.

The firm has informed that the GoI has also introduced subsidy up to 25% of the Capex subject to a maximum limit of Rs 25 Crores for integrated E-Waste recycling plants. Their unit is the only integrated E-waste recycling plant in the country with more than 10 international granted patents. Their subsidy application is pending with the Uttarakhand government for the last few years. This subsidy will enable them to formalize the collection mechanism and ensure that they can run their facility at the maximum capacity utilization levels. The firm has also requested to consider 100% alternate export product fulfillment of export obligation.

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

<u>Case No- 86: L P International, Jamnagar (Gujarat)</u>
F. No. HQREPCGPRAPP00000606AM23

Subject: Request for extension of EOP for two years i.e. beyond 30.01.2021 in respect of EPCG Authorization No. 2430002495 dated 31.07.2014 under 0% Concessional duty- reg.

The firm has stated that their EOP had expired on 30.07.2020 and their EOP has been granted for 6 months i.e. 30.01.2021 as per Policy circular No. 35/2015-20 dated 23.04.2020. The firm has informed that they have directed exports are in US Dollars 2950 in pried of 2016 but due to lack knowledge they could not mentioned the EPCG license number on the shipping bill. The firm has also stated that due to COVID 19, the EOP has expired without the support of block wise extension including block wise extension period time which was implemented.

The firm has further stated that they had requested on 16.06.2019 to add export items which can be manufactured by imported machinery under the EPCG authorization. However, the same has been granted on 17.03.2021. Hence they could not complete the EO within the stipulated time. Therefore, the firm approached RA Rajkot on 30.07.2020 for extension of 6+2 years as per Para 5.17 of HBP of FTP and paid composition fee of Rs. 51,000.00/- but RA Rajkot did not grant them EO extension as per 5.11 of HBP 2009-14.

Decision: The Committee deliberated upon the case and decided the following:

1) RA may extend EO till 31.12.2021 interms of Public Notice -67 dated 31.3.2020 and Notification No-27 dated 23.9.2022 subject to conditions specified in Public Notice -67 dated 31.3.2020 and Notification No-27 dated 23.9.2022 .

2) Decided **to recommend to DG for relaxation under Para 2.58 of FTP 2015-20** to allow condonation of delay in approaching RA for first EOP extension (from 6th year to 8th year, after taking COVID extension in terms of Public Notice -67 dated 31.3.2020 and Notification No-27 dated 23.9.2022) on payment of composition fee or imposition of additional export obligation in terms of para 5.17 of HBP (w.e.f. 05.12.2017) and late fee of Rs. 10,000/- per authorisation.

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

This has the approval of DG, DGFT.

<u>Case No- 87: S.E. Power Limited, Vadodara</u>
F. No. HQREPCGPRAPP00000562AM23

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

Earlier the firm vide F. No. HQRPRCAPPLY00303345AM22 dated 31.12.2021 had requested for 2 years EOP Extension beyond 6+2 years in respect of EPCG authorization no.

0530161909 dated 27.11.2013 under 0% Concessional Duty. The case was considered in 3rd EPCG Committee Meeting of AM-23 held on 25.05.2022 wherein the Committee went through the statements made by the applicant and noted that the applicant has not submitted any cogent reason/justification in support of any genuine hardship faced by them. Accordingly, the Committee decided to reject the request. The firm vide Review Application dated 08.12.2022 has requested for EOP Extension up to 36 months from the date of endorsement in respect of EPCG Authorization No. 0530161909 dated 27.11.2013 under 0% Concessional duty. The firm has stated that they couldn't fulfill their 100% EO in stipulated time period due to:

i. In April 2020 a major fire accident in their factory resulted in heavy damage of Plant and Machinery and its restoration took 6-9 months.

ii. Breakdown in production of regular business leading to standstill and regular customers shifted to source their requirements from their competitors.

iii. Struggle to get back old customers and re-build market demand which took 18-24 months.

The firm has stated that their EOP was extended up to 30.11.2021 as per license amendment sheet but the period from 01.03.2020 till 31.12.2021 was forgone due to overlapping period on account of delay in issuance of notification/ clarification by DGFT under Covid-19 relaxation. The firm has further stated that they are exporting products but are not able to endorse the subject EPCG Authorization because Customs are not accepting shipment under EPCG on grounds that EOP is not valid on date of exports.

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- 88: Delphi-TVS Technologies Ltd., Tamil Nadu
F. No. HQRPRCAPPLY00020719AM22

Subject: Request for condonation of lapse for mentioning wrong EPCG Authorisation Number in Shipping Bills in respect of their 143 EPCG authorization.

As per ANF-2D, the firm has stated that they obtained 143 authorizations. They could not have a track of the authorization numbers in the export shipping bill endorsement. Due to this, the S/B have other EPCG authorization numbers wrongly mentioned, which is already redeemed.

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

<u>Case No- 89: Balaji Power Tronics, New Delhi</u>
F. No. HQREPCGPRAPP00285262AM22

Subject: Request for amendment in the subject EPCG Authorization No. 0530176564 dated 13.11.2020 as under:

(i) Change in the name of company from Balaji Power Tronics to Microtek Balaji Powertronics Pvt. Ltd.

(ii) Change in IEC No. 0505094240 TO AAOCM8964A

The firm has stated that the EPCG Authorisation No 0530176564 dated 13.11.2020 was issued to M/s Balaji Powertronics. The firm was converted into private limited company under the provisions of Part-I of Chapter XXI of the Companies Act,2013 vide Certificate of Incorporation Dated 30.09.2021issued by the Registrar, Central Registration Centre, Ministry of Corporate Affairs pursuant to the resolution passed by the partners of the Firm at their meeting held on 24.03.2021 and filing of FORM URC 1 by the Firm (copy of Form URC-1 with its challan is attached).Some Export performed by Balaji Powertronics till 30.09.2021 under EPCG Authorisation No. 0530176564 dated 13.11.2020, Now, the Microtek Balaji Powertronics Pvt Ltd undertake to fulfill remaining liability of Balaji Powertronics. Therefore, the firm has requested to allow amendment in the above mentioned EPCG Authorisation as under:

i. Status of EPCG Holder to be Changed from Balaji Powertronics to Microtek Balaji Powertronics Private Limited.

ii. (Form URC1 of ROC and Intimation letter are enclosed).

iii. IEC No to be changed From 0505094240 to AAOCM8964A(Amended IEC Copy is enclosed)

iv. Nature of Concern to be changed From Partnership Firm to Private Limited Company.(Form URC 1 is enclosed)

v. Average Annual Value in Rs to be Remains Unchanged-No Previous Export(CAC as per Appendix 5A in name of Microtek Balaji Powertronics Private Limited and RCMC are enclosed.

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

<u>Case No- 90-: Shrijee Lifestyle Private Limited, Mumbai</u>
F. No. HQRPRCAPPLY00002537AM23

Subject: Request for Condonation of Delay in Payment of Official Fees on Excess Duty Saved Value Utilized at Customs against EPCG authorization No. 0330036027 dated 05.06.2013 under 0% Concessional Duty for redemption.

The firm has stated that they got the subject license for duty saved value of Rs. 2688000.00 and wherein they have utilized duty saved amount for Rs. 2795314 resulting in excess utilization of Rs. 107314.The firm has requested to condone the delay of procedural lapse in payment of official fees on excess duty saved value utilization at customs in respect of subject authorization.The firm further stated that they have already paid the delay in payment of official fees as per P.N. No. 22/205-20 dated 31.07.2019 wherein RA have the power to accept delayed fees up to two years. The firm further referred to Para 5.16(a) of HBP 2015-20 as amended which provides that if authorization issued has been utilized for import of goods in excess of duty saved amount indicated on the authorization by not more than 10 percentage the RA may accept additional fee to cover excess effected in terms of duty saved amount even beyond one month but within two years of the excess import taking place subject to payment of composition fee of Rs. 5000/- per authorization.

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

<u>Case No- 91: H.Q Lamps Manufacturing Co Pvt. Ltd., Delhi</u>
F. No. HQREPCGPRAPP00000537AM23

Subject: Request against EPCG License No. 0530147744 dated 14.11.2008 and duplicate EPCG Authorization No. 0530158380 dated 18.05.2012 under 03% Concessional duty:

i. Waiver of Export Obligation Period (EOP) against above EPCG Authorization.
ii. Extension of EOP for 2 years from the date of endorsement without composition fee against above EPCG Authorization.

The firm has submitted that at the time of setting up of the aforesaid plant, the export potential, as well as the indigenous market, was huge and therefore, HQL decided to set up this unit by importing plant and machinery under the EPCG scheme. However, the lighting industry in India was dominated by fluorescent tube lights (FTLs) and incandescent bulbs (ICLs) as they were easily available, affordable by the masses and it was easy to install and maintain. But with the advent of cutting-edge and more energy-efficient solutions like CFLs, the balance was gradually changing. Since CFLs, are up to four times more energy efficient when it comes to lumens/watt output, governments around the world had passed measures to phase out incandescent light bulbs for general lighting alternatives i.e. CFL. (2) Technological Obsolescence of CFL : The reason for the low demand for CFL was due to the introduction of newer technology, i.e., LED. The key factors driving the growth of the LED lighting market include the rise in the global LED penetration, falling prices of LED lighting, phasing out of conventional lighting including CFL, rising industrial demand for power-efficient lighting, and favorable government policies. Further, with Government initiatives and increased customer awareness towards energy efficiency, LEDs will replace other lighting sources to a great extent in the longer run, much in the same way as CFLs have phased out ICLs in the last 10 years.

The firm has stated that the aforesaid shortfall has arisen due to the technological obsolescence of CFL, as explained above. The firm has also that they have upgraded their plant and machinery and are able to manufacture LED tubes/bulbs, and lamps of various wattages in different shapes as per BIS standards and also according to the item described in the aforesaid EPCG authorization amended on dated 14.04.2018.

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.

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

The meeting ended with a vote of thanks to the Chair

[Issued from F. No. 01/36/218/27/AM-23/EPCG]