

(To be Published in the Gazette of India Extraordinary Part I, Section - I)

Government of India
Ministry of Commerce and Industry
Department of Commerce
Directorate General of Foreign Trade
Udyog Bhawan

Public Notice No. 35/2015-20
New Delhi, Dated the 25th, October, 2017

Subject: Onetime condonation of time period in respect of obtaining block-wise extension in Export Obligation period under EPCG Scheme.

In exercise of powers conferred under Paragraph 2.04 read with Paragraph 2.58 of FTP 2015-20, the Director General of Foreign Trade in Public interest hereby makes the following one time relaxations in procedures in respect of obtaining block-wise extension in Export Obligation period under EPCG scheme.

1. The EPCG authorization holders, while maintaining the average export obligation, fulfill the specific export obligation over the prescribed block period as applicable.
2. Para 5.14 (c) of the Handbook of Procedures 2015-2020 states as under:

"Where EO of the first block is not fulfilled in terms of the above proportions, except in cases where the EO prescribed for first block is extended by the Regional Authority subject to payment of composition fee of 2% on duty saved amount proportionate to unfulfilled portion of EO pertaining to the block, the Authorization holder shall, within **3 months** from the expiry of the block, pay duties of customs (along with applicable interest as notified by DOR) proportionate to duty saved amount on total unfulfilled EO of the first block".
3. The Para 5.14 (d) of the Handbook of Procedures 2015-20 specifies the governance of the relevant provisions for block-wise Export Obligation in respect of EPCG authorizations issued between 1st April 2002 and 18.04.2013.
4. In view of the time limit of 3 months prescribed in the relevant provisions, during which time the EPCG authorization holder was required to obtain the block extension in Export obligation from the RA on payment of composition fee, the RAs concerned are unable to consider such requests wherein submissions are made after 3 months. Many times such requests are for regularization of exports already made. A large number of requests for condonation of this period of non-submission within the prescribed time period for obtaining block period extension are received in the DGFT Hqrs. This has caused hardship and delay in closure of EPCG authorizations.
5. The EPCG authorization holders were required to approach RA within the prescribed period for obtaining the requisite extension on payment of composition fee or should have paid the proportionate duty to the Customs to

regularize the block-wise EO period. Therefore, as a onetime measure in relaxation of procedure, it has been decided that the RAs concerned may consider the requests for block-wise Export Obligation period extension for the requests already submitted but submitted beyond the time on payment of additional composition fee of Rs. 5000/- in addition to payment of regular composition fee as applicable. The RA may also consider the requests that may be received upto **31.03.2018** under this facility. This shall be subject to the condition that the case is otherwise in order and submission of installation certificate for the capital goods imported to the RA concerned. This facility is for EPCG authorizations issued from 1st September, 2004.

6. This facility would not be available in respect of the following cases:
- i. Where the issue is under investigation/adjudicated by RA/customs authority/ any other investigating agency.
 - ii. Where the EPCG committee has rejected such extension requests.

Effect of the Public Notice: Onetime relaxation in condonation of delay of submission for obtaining block-wise extension in Export Obligation under EPCG scheme is provided.



(Alok Vardhan Chaturvedi)
Director General of Foreign Trade
Email: dgft@nic.in

(Issue from F. No. 18/42/AM-18/P-5)