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

Public Notice No. 41/2015-2020
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In exercise of powers conferred under Paragraph 1.03 of the Foreign Trade Policy, 2015-2020, the Director General of Foreign Trade hereby notifies new Appendices 5 E (Computation of Annual Average Export Obligation under EPCG Scheme) and 5 F (List of Capital Goods not permitted/ permitted subject to specific conditions for import under EPCG Scheme) of FTP 2015-20, as contained in Annexure to this Public Notice.

Effect of this Public Notice: New Appendices 5 E and 5 F of FTP 2015-20, are being notified.



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APPENDIX - 5 E

COMPUTATION OF ANNUAL AVERAGE EXPORT OBLIGATION UNDER EPCG SCHEME (PARA 5.04 (b) OF FOREIGN TRADE POLICY 2015-20 READ WITH PARA 5.12 OF HBP 2015-20).

The average Export Obligation under EPCG scheme shall be fixed as under:

- (i) In respect of EPCG authorizations issued to an applicant during a licensing year, the Average Export Obligation will be same for same and similar products. While calculating Average Export Obligation, exports counted/being counted for fulfilling specific EO against EPCG Authorisations within valid EO Period (whether original or extended) that have been made in the preceding 3 years will not be taken into account.
- (ii) If an applicant has been in existence for more than 3 years, the exports in each of the past 3 years (even if for some years, it may be zero) are aggregated and the aggregate export is divided by 3.
- (iii) If an applicant has been in existence for less than 3 years, the denominator in the above calculation will be the number of year and not 3. The following table illustrates the fixation of average Export Obligation (in case a firm/company has applied for EPCG authorizations in the year 2017-18).

Firm/Company in existence for more than 1 year but less than 2 years			
	Year 1 (2016-17)	Year 2 (2015-2016)	Average Export Obligation
Exports	Nil	Not Applicable	Nil
	X	Not Applicable	X/1
Firm/Company in existence for more than 2 year but less than 3 years			
	Year 1 (2016-17)	Year 2 (2015-2016)	Average Export Obligation
Exports	Nil	Nil	Nil
	Nil	X	X/2
	X	Y	X+Y/2

APPENDIX- 5F

LIST OF CAPITAL GOODS NOT PERMITTED / PERMITTED FOR IMPORT SUBJECT TO SPECIFIC
CONDITIONS UNDER THE EPCG SCHEME

(PLEASE SEE PARA 5.01 OF FTP 2015-20)

Sr. No.	Name of Item	Importability under EPCG Scheme
1.	Cables	Permitted only as an integral part of Capital Goods.
2.	Railway wagons (excluding specialized wagons)	Not permitted
3.	Tractors	Not permitted.
4.	Trucks / Tippers / Dumpers and spares thereof including tyres.	Permitted only to mining sector.
5.	Motor Cars, Sports utility Vehicle / All purpose vehicles	Not permitted.
6.	Airport Ground Handling Equipments	Not permitted.
7.	Furniture, carpets, crockery, marble, chandelier, tiles, flooring, doors for rooms, fixing panels.	Permitted only to Hotel Industry.
8.	Construction equipments viz. Cranes etc.	Permitted only for providing services.
9.	All construction material like sheds, cement, steel.	Not permitted.
10.	Computers and printers	Not permitted.
11.	All Second Hand Capital Goods	Not permitted.
12.	Capital Goods (including Captive plants and Power Generator Sets of any kind) for export of electrical energy (power); Supply of electrical energy (power) under Chapter 7; Supply of power (energy) in their own unit, and Supply/export of electricity transmission services.	Not permitted