

Circular Ref.No.373/SEPC/2021-22

14th January 2022

Dear Sir / Madam,

Sub: EPCG Scheme in the Foreign Trade Policy

Directorate of General of Foreign Trade (DGFT) is in the process of formulating New Foreign Trade Policy.

In order to promote Domestic Capital Goods Industry, there is a need for continuation of the EPCG Scheme. To examine the continuity of EPCG Scheme, a meeting is scheduled with Export Promotion Councils (EPCs) by DGFT on the Topic **“Discontinuation of the EPCG Scheme in the Foreign Trade Policy”** on **20th January 2022** under the chairmanship of **Director General of Foreign Trade**.

While formulating the Foreign Trade Policy, DGFT is seeking views on the following:

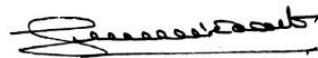
1. Relevance of the EPCG Scheme for promotion of Capital Goods sector in the present scenario particularly when the basic customs duty is in the order of 7.5%.
2. Examination of the adverse impact of the EPCG Scheme on domestic manufacturers of Capital Goods.
3. What kind of technological upgradation has taken place due to EPCG scheme?
4. Whether competitiveness of industry has increased due to EPCG scheme?

Members are requested to send in their inputs urgently on the above points to enable SEPC to take up the subject with DGFT during the meeting.

The inputs should be sent to dgdesk@servicesepec.org; Geethanjali.nataraj@servicesepec.org; Salahuddin.ayyub@servicesepec.org on or before 18th January 2022.

Look forward to your urgent response.

Best regards,



CA Sunil H. Talati
Chairman