

**Government of India
Ministry of Commerce
Directorate General of Foreign Trade
(PC-IV Section)**

POLICY CIRCULAR NO. 23 (RE-2000)/2000-01 Dated 1st September,2000

**To
ALL LICENSING AUTHORITIES**

Subject:- Forwarding of EPCG applications by RLAs to HQ for nexus fixation - clarification - EPCG Licences to Hotel Industry and Textile and Garment Sector as per P.N.No.33(RE-99) dated 18.2.2000 and other sectors as per Policy Circular No.3 (RE-2000)2000-01 dated 7.4.2000 and Policy Circular No.10 (RE-00) 2000-01 dated 14.6.2000.

Attention of Licensing Authorities are invited to Policy Circular No.52 (RE-99)/99-2000 dated 18.02.2000, Policy Circular No.3 (RE-2000)/2000-01 dated 7.4.2000 and Policy Circular No.10 (RE-00)/2000-2001 dated 14.6.2000 on the above mentioned subject. Though it has been clearly mentioned therein that in respect of EPCG applications for import of the items covered by the list of goods enclosed therewith, licences can be issued by the concerned RLA within their financial limits without referring such cases to Headquarters, a considerable number of cases relating to the above said sectors are still being received in this office for approval of nexus between the CGs and the export product by EPCG Committee.

2. As intimated vide the above referred Circulars, there is no need of seeking EPCG Committee's approval for nexus in respect of the capital goods meant for Hotel, Textile and Garment Sector and other sectors. It is therefore suggested that such cases may not be forwarded to this office for nexus clearance. It is also suggested that in all such cases where EPCG Licences have been issued with regard to the above sectors and where the items of machineries are covered by the list (including those cases already referred to HQ), they may be regularised in accordance with the above quoted Policy Circulars.
3. If an item/capital goods is not covered by the above Public Notices, the RLA shall make a specific reference in the forwarding letter to the HQ for nexus fixation and only those cases shall be referred to HQ for approval.

This issues with the approval of the DGFT.

(A.K.Srivastava)
Dy.Director General of Foreign Trade

(F.No.01/94/180/HB/AM01/PC-IV)