

F.NO.PRU/AS/98-99/Clarification

Government of India

Ministry of Commerce

Directorate General of Foreign Trade

Udyog Bhawan, New Delhi

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Policy Cir. No. /13(RE-98)/98-99 Dated 11. 6.1998

To

- 1. All licensing Authorities (By name)**
- 2. The Export Promotion Councils/Commodity Board**
- 3. The Federation of Indian Export Organisation, New Delhi.**
- 4. All Chambers of Commerce and Industries/Association on mailing list.**

Subject: Monitoring of export obligation against EPCG Licences.

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Sir,

Attention is invited to Paragraph 6.11 and 6.12 of the current Handbook of Procedures, Ist April, 1997- 31st March, 2002 (revised edition announced on 13.4.1998), which laid down the time schedule for fulfilment of EO under 10% EPCG Scheme and Zero Duty EPCG Scheme. The said time schedule is applicable to the EPCG licences issued on or after 5th June, 1995.

2. All the Regional Licensing Authorities are requested to strictly follow the procedures laid down for monitoring of export obligation . In the case of licences issued under 15%/10% EPCG Scheme, the licence holder should be advised to sent the annual report on the progress made in fulfilment of export obligation against the licence issued to him in the format prescribed given in Appx. 10© of the current Handbook of Procedures within three months from the expiry of every year starting from the second year of the EO period. Likewise, in the case of the licences issued under Zero Duty EPCG Scheme , the licence holder should be advised to sent the report on the progress made in fulfilment of the export obligation within three months from the expiry of the every block starting from 2nd block of the EO period. After scrutiny of the documents, the RLA should intimate the customs

authority regarding the fulfilment or otherwise in EO as per the time schedule laid down in the Handbook of Procedures.

RLAs should continue to send a consolidated statement regarding the position of EO fulfilment to DGFT every month in the format already prescribed for the purpose regarding the number of licences issued , CIF value , export obligation, position regarding fulfilment of EO etc.. The monitoring report should also indicate sectorwise details regarding the licenses issued , EO fulfillment etc.

This issues with the approval of D.G.F.T.

(Ajay Sahai)

Dy.Director General of Foreign Trade