

## APPENDIX-5E

### **COMPUTATION OF ANNUAL AVERAGE EXPORT OBLIGATION UNDER EPCG SCHEME (PARA 5.04(C) OF FOREIGN TRADE POLICY 2023 READ WITH PARA 5.12 OF HBP 2023)**

The Average Export Obligation under EPCG Scheme shall be fixed as under:

- i. While calculating Average Export Obligation, exports/supplies counted /being counted for fulfilling specific EO against other EPCG Authorizations 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 company/firm has been **in existence for more than 3 years**, the exports in each of the preceding 3 financial years (even if for some years, it may be zero) are aggregated and the aggregate export is divided by 3.
- iii. If an applicant company/firm has been **in existence for less than 3 preceding financial years**, the denominator in the above calculation will be the number of preceding financial years the company/firm is in existence and not 3.