

**GOVERNMENT OF INDIA
MINISTRY OF COMMERCE**

**PUBLIC NOTICE NO. 3 (RE-01)/1997-2002
NEW DELHI: dated the, 31st March, 2001**

In exercise of powers conferred under paragraph 4.11 of the Export and Import Policy, 1997-2002, as notified in the Gazette of India extraordinary, Part-II- Section 3 – Sub- section (ii) vide S.O No. 283(E) dated 31.3.97, the Director General of Foreign Trade hereby lays down the following guidelines for extension in export obligation period in respect of EPCG Licences:

1. In respect of EPCG licences issued in pursuance of the following notifications, the licence holder shall be deemed to be eligible for extension of export obligation period upto 31.03.2002 provided the licence holder who has failed to complete his export obligation within the earlier stipulated time limit, applies for extension of export obligation period on submission of a Bank Guarantee, covering the Customs duty in proportion to the unfulfilled export obligation together with 24% simple interest thereon from the date of import upto 30.9.2002.
 - i. Import & Export Policy 1990-93, Vol.I (Paragraph 197 as amended from time to time) notified under Public Notice No.1-ITC (PN) 1990-93 dated 30th March, 1990;
 - ii. Export & Import Policy 1992-97 (Paragraph 38 as amended from time to time) notified under Public Notice No.1-ITC(PN) 1992-97 dated 31st March, 1992;
 - iii. Export & Import Policy 1992-97 (Reprint June, 1992 - Paragraph 38 as amended from time to time) notified under Notification No.22 (N.3) 1992-97 dated 30th June, 1992;
 - iv. Export & Import Policy 1992-97 (Revised edition March, 1993 – Paragraphs 38 and 46A as amended from time to time) notified under Notification No.1(RE) 1992-97 dated 31st March, 1993;
 - v. Export & Import Policy 1992-97 (Revised edition March '94 – Paragraphs 38 and 46A as amended from time to time) notified under Notification No.34(RE) 1992-97 Dated 31st March, 1994;
 - vi. Export Import Policy 1992-97 (Revised edition March '95 – Paragraph 38 as amended from time to time) notified under Notification No.1(RE) 1992-97 Dated 31st March, 1995.

Bank Guarantee should be valid upto 31.3.2003. The Bank Guarantee shall be required to be submitted by all applicants including those eligible for LUT facility being status holder or otherwise.

The aforementioned Bank Guarantee shall be forfeited in the event of non fulfilment of export obligation in the extended period.

2. The request for extension alongwith BG shall be filed with the concerned licensing authority on or before 29.06.2001. The licensing authority which originally issued the licence shall be competent to grant extension in export obligation period.

3. In such cases where export obligation has been fulfilled prior to the date of this Public Notice but outside the prescribed export obligation period, such exports shall be deemed to have been made within the prescribed export obligation period for the purpose of regularisation of the case. Such exporters need not submit any Bank Guarantee.

4. In cases where the Bank Guarantee already executed covers the Customs duty in proportion to the unfulfilled export obligation together with 24% simple interest thereon and the same is valid till 31.3.2003, no separate Bank Guarantee shall be insisted and the licence holder shall be required to make a request on or before 29.6.2001 alongwith details of the Bank Guarantee already executed. In cases where the Bank Guarantee has been executed with the Customs authority, the licence holder shall be required to furnish a certificate to this effect on or before 29.6.2001 from the concerned Asstt.Commissioner of Customs and Central excise with whom the Bank Guarantee has been executed.

5. In cases where the Bank Guarantee already executed in terms of Public Notice No 5 dated 06.04.1999 and valid upto 30.03.2002, it may be extended upto 31.03.2003 covering the Customs Duty and interest upto 30.09.2002 in proportion to unfulfilled` E.O. and proof thereof may be submitted on or before 29.06.2001.
6. In cases where the licence holder applies for export obligation extension for a period prior to 31.3.2002, the same shall also be granted by the licensing authority and in such cases, the BG shall be required to be valid for a period of one year in addition to the period of export obligation sought for. However in such cases, no further extension in EO period beyond the period already applied for shall be allowed.
7. However, no extension in export obligation shall be allowed in respect of the licences where misrepresentation/fraud has come to the notice of the licensing authorities. Further, in respect of licences where adjudicating orders have already been passed, no extension in export obligation period shall be admissible.
8. In such cases where the export obligation has not been completed and the licence holder has not availed the facility accorded under this Public Notice, adjudication proceedings shall be initiated after 29.6.2001.

This issues in public interest.

(N.L.Lakhanpal)
Director General of Foreign Trade
(A.B.Menon)
Dy.Director General of Foreign Trade