

Ref.No.GJEP/Circular/Members/2021-22

12<sup>th</sup> January 2022

**TO: ALL MEMBERS OF THE COUNCIL**

**Subject: "Discontinuation of the Export Promotion Capital Goods (EPCG) Scheme in the Foreign Trade Policy"- req**

Dear All,

The Council is in receipt of communication from Ministry of Commerce & Industry with regards to captioned subject line.

EPCG Scheme allows import of capital goods for pre-production, production and post-production at Zero customs duty and subject to fulfilment of specific export obligation equivalent to 6 times of duties, taxes and cess saved on capital goods, to be fulfilled in 6 years from date of issue of authorization. However, Department of Revenue is of view that EPCG Scheme is hampering growth of domestic capital goods industry and it is in favour of gradually phasing it out.

In view of the above all stakeholders have been invited to share their views in respect of continuation of EPCG scheme. In order to providing the suggestions to DGFT, Members are requested to send their suggestions / reasons for continuation of EPCG Scheme. Request to submit suggestions to council at [preetha.shalu@gjepcindia.com](mailto:preetha.shalu@gjepcindia.com) before 17<sup>th</sup> Jan 2022.

Thanking you,

With best regards,

Sd/-

**SABYASACHI RAY**  
**EXECUTIVE DIRECTOR**