

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:1072

ANSWERED ON:12.08.2013

EPCG SCHEME

Choudhary Shri Harish;Jaiswal Shri Gorakh Prasad

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether the Government has implemented Export Promotion Capital Goods Scheme (EPCGS) for boosting the export of capital goods;
- (b) if so, the details thereof along with the requirement which are required to be fulfilled by the exporters for running the said scheme;
- (c) the details of the benefits available for the exporters under the scheme;
- (d) whether there have been instances where the exporters have availed the benefits of the said scheme without fulfilling the mandatory requirements under the scheme; and
- (e) if so, the details of such defaulters during each of the last three years and the action taken by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. D. PURANDESWARI)

(a) to (c): Yes, Madam. The details of the Scheme are available in Chapter 5 of the Foreign Trade Policy and Handbook of Procedure Vol.I and also available on the website of Directorate General of Foreign Trade (<http://dgft.gov.in>). With effect from 18.4.2013 EPCG Scheme permits import of capital goods at 0% customs duty with an obligation to export 6 times the duty saved amount in 6 years.

(d)&(e) Authorizations under the EPCG Scheme are issued provided exporters fulfill the criteria as laid down in the Policy/Procedure in this respect. Such Authorization Holders are required to fulfill the export obligation as stipulated in the Policy. In case of default, action is taken as per Foreign Trade Policy, Handbook of Procedure v1 and Foreign Trade (Development & Regulation) Act, 1992.