

**EXPORT PROMOTION COUNCIL FOR EOUs AND SEZs**  
(Setup by Ministry of Commerce, Government of India)  
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EPCES Circular No. 431

January 20, 2023

Dear Member (s)

The Directorate General of Foreign Trade (DGFT) on January 20, 2023, issued a public notice to amend Chapter 5 of the Handbook of Procedures, 2015-20, related to one-time relaxation from maintenance of Average Export Obligation and extension in the Export obligation period for specified EPCG Authorisations.

**The following amendments have been stated:**

· The following sub-para is added after para 5.13(c) of Handbook of Procedures: -

"5.13(d): For the years 2020-21 and 2021-22, no Average Export Obligation is required to be maintained for EPCG authorizations issued for Hotel, Healthcare, and Educational sectors"

· **The following sub-paras are added after para 5.17(f) of the Handbook of Procedures: -**

"5.17 (g):

i) For EPCG authorizations issued for Hotel Healthcare and Educational sectors, Export Obligation (EO) period may be extended from the date of expiry for the duration equivalent to the number of days the EO period falls within February 01, 2020, and March 31, 2022. Such extension shall be granted without payment of composition fees EO extension already granted if any in terms of Public Notice No. 67/2015-20 dated March 31, 2022, and Notification No 28/2015-20 dated September 23, 2021 shall be deducted from the extendable EO extension period

ii) In a case where the EPCG authorization holder has already obtained an EO extension on payment of composition fees, the refund of the composition fees will not be permitted. In addition, any penalties, duties, and taxes already paid would also not be refunded.

5.17 (h):

i) For EPCG authorizations, issued for other than Hotel, Healthcare, and Educational sectors, Export Obligation (EO) period may be extended from the date of expiry, for the number of days the existing EO period of an authorization falls within February 01, 2020, and July 31, 2021, Such EO extension may be granted without payment of composition fees. However, this extension is subject to a 5%

additional export obligation in value terms (in free Foreign Exchange) on the balance Export obligation as of March 31, 2022.

ii) The option to avail of 10 extensions with payment of composition fees under the para 5.17(c) would remain available for these authorizations as per eligibility

iii) In a case where the EPCG authorization holder has already obtained an EO extension on payment of composition fees, the refund of the composition fees will not be permitted. In addition, any penalties, duties, and taxes already paid would also not be refunded.

5.17 (i): The benefit under (h) shall not be applicable in cases where an extension of the Export Obligation period has been obtained in terms of Public Notice No. 67 dated March 31, 2020, and Notification No. 28 dated September 23, 2021

5.17 (j): The benefit under paras (g) and (h) shall not be applicable in a case where an extension of the Export Obligation period has been obtained through policy relaxation in terms of para 2.58 of Foreign Trade Policy.

Enclosed: - Public Notice No. 53/2015-2020

With warm regards,

Team, EPCES