

AEPC Circular No:149

AEPC/HO/R&PA/2023  
January 20, 2023

Dear Members,

**Sub: Amendments in Chapter 5 of the Handbook of Procedures, 2015-20 - Extension in export obligation period for specified EPCG Authorizations**

The Directorate General of Foreign Trade (DGFT) vide its Public Notice No 53/2015-2020 dated 20.01.2023 has made amendments in the HBP (2015-20). The following sub-paras have been added in the HBP:

**(i) 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 due date of expiry, for the number of days the existing EO period of an authorization falls within 01.02.2020 and 31.07.2021. Such EO extension may be granted without payment of composition fees. However, this extension is subject to 5% additional export obligation in value terms (in free Foreign Exchange) on the balance Export Obligations as on 31.03.2022.

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

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

**(ii) 5.17 (i)**

The benefit under (h) shall not be applicable in cases where extension of Export Obligation period has been obtained in terms of Public Notice No 67 dated 31.03.2020 and Notification No 28 dated 23.09.2021.

**(iii) 5.17 (j)**

The benefit under paras (g) and (h) shall not be applicable in case where extension of Export Obligation period has been obtained through policy relaxation in terms of the para 2.58 of FTP.

Effect of this Public Notice: One-time relaxation from maintaining Average Export Obligation and option to avail extension in Export Obligation Period for specified EPCG authorizations is provided on account of Covid-19 pandemic, subject to fulfillment of conditions. This is in addition to the EO extension facility (upon payment of the composition fees) already provided in FTP/HBP.

2. The copy of the DGFT Public Notice is enclosed for your kind ready reference.

3. AEPC's Circulars are available on AEPC's Website [www.aepcindia.com](http://www.aepcindia.com)

4. This is for your information please.

With regards.

Yours sincerely,

Dr. Tamanna Chaturvedi  
Secretary General (Actg.)  
Apparel Export Promotion Council

Enclosure: As above.

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SECTION-I)

GOVERNMENT OF INDIA  
MINISTRY OF COMMERCE AND INDUSTRY  
DEPARTMENT OF COMMERCE  
DIRECTORATE GENERAL OF FOREIGN TRADE  
VANIJYA BHAVAN, NEW DELHI

**PUBLIC NOTICE No. 53/2015-2020**  
NEW DELHI, DATED THE 20<sup>th</sup> January, 2023

**Subject: Amendments in Chapter 5 of the Handbook of Procedures, 2015-20 -  
One time relaxation from maintenance of Average Export Obligation and  
extension in Export obligation period for specified EPCG Authorisations – reg.**

In exercise of powers conferred under Paragraphs 1.03 and 2.04 of the Foreign Trade Policy, 2015-2020, as amended from time to time, the Director General of Foreign Trade hereby makes the following amendments in the Handbook of Procedures (2015-20) :-

1. 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"*

2. The following sub-paras are added after para 5.17(f) of 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 EO period falls within 01.02.2020 and 31.03.2022. 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 31.3.2020 and Notification No. 28/2015-20 dated 23.9.2021 shall be deducted from the extendable EO extension period.*

*ii) In case where EPCG authorisation holder has already obtained 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 authorisations, 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 authorisation falls within 01.02.2020 and 31.07.2021. Such EO extension may be granted without payment of composition fees. However, this extension is subject to 5% additional export obligation in value terms (in free Foreign Exchange) on the balance Export obligation as on 31.03.2022.


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

iii) In case where EPCG authorisation holder has already obtained 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 extension of Export Obligation period has been obtained in terms of Public Notice No. 67 dated 31.03.2020 and Notification No. 28 dated 23.09.2021.

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

**Effect of this Public Notice :** One-time relaxation from maintaining Average Export Obligation and option to avail extension in Export Obligation Period for specified EPCG authorizations is provided on account of COVID-19 pandemic, subject to fulfillment of conditions. This is in addition to EO extensions facility (upon payment of the composition fees) already provided in FTP/HBP.

  
20.1.2023  
(Santosh Kumar Sarangi)  
Director General of Foreign Trade &  
Ex-officio Additional Secretary, Government of India  
Email: dgft@nic.in

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