4, MAHESH CHAMBERS, 391, NARSHI NATHA STREET, MASJID (W), MUMBAI 400 009 T: (022) 2342 6208 / 2344 7595 | F: (022) 6636 8482 | M: 98207 48777 / 9819 33 7171 E: info@impexconsultancy.net | W: www.impexconsultancy.net

## Export Promotion Capital Goods (EPCG) for F.Y 2009-2014

**Eligibility:** EPCG scheme covers manufacturer exporters with or without supporting manufacturer(s) / vendor(s), and merchant exporters tied to supporting manufacturer(s) and service providers.

**0% (Zero) duty EPCG Scheme:** This scheme permits import of capital goods for pre-production, production and post production (including CKD/SKD thereof as well as computer software systems) at 0% Customs duty, subject to an export obligation equivalent to <u>6 times of duty saved</u> on capital goods imported under EPCG scheme, to be <u>fulfilled in 6 years</u> reckoned from Authorization issue date.

Indigenous (Domestic) Sourcing: EPCG Authorization can also be utilised to source capital goods from a domestic manufacturer. Such domestic manufacturer shall then be eligible for deemed export benefit. Such domestic sourcing is also permitted from EOUs and these supplies shall be counted towards fulfillment of positive Net Foreign Exchange Earnings (NFE) by said EOU. In case of indigenous sourcing, EO shall be 10% less than EO for direct imports.

Hitesh Parekh 982 07 48777 9819 33 7171