Export Promotion Capital Goods (EPCG) Scheme

Zero-Duty Import of Capital Goods for Exporters

Allows exporters to import capital goods at zero customs duty, in exchange for committing to an "Export Obligation" — exporting goods/services worth a multiple of the duty saved over a set period.

1 Benefits of the Scheme

Zero Custom Duty

Import plant, machinery & tools for pre/production/post-production duty-free.

Reduced Investment Costs

Lowers capital needed to set up/upgrade facilities, boosting global competitiveness.

Eligible Capital Goods

Computer systems, packaging & machine tools, testing equipment, catalyst charges.

Stackable Incentives

Can often be clubbed with other export incentives (Duty Drawback, RoDTEP, etc.).

2 Eligibility Criteria

Manufacturer Exporters: Businesses that manufacture and export goods directly.

Merchant Exporters: Exporters tied to supporting manufacturers.

Service Providers: Hotels, hospitals, logistics firms, IT companies, etc.

Prerequisites: Valid IEC; not on RBI's caution list or DGFT's Negative List.

3 Documents Required

Basic Registrations: IEC copy and GST Registration Certificate

Export Councils: RCMC from relevant Export Promotion Council

Technical Validation: Chartered Engineer Certificate

Purchase Proof: Proforma invoice or supplier quotation

Authorization: DSC and application in ANF format

Performance: Self-certified PAN & past export records

4 Validity & Export Obligation

24 Months	6× Duty Saved	6 Years
License Validity (for import)	Export Obligation Target	EO Fulfillment Period

Revalidation is **typically not permitted**. Non-new exporters must maintain their **historical average export performance** above the EPCG-linked target.