

This column is compiled by Consultant [EXIM Policy] of EPCH. It contains recent Public Notices, Notifications and Circulars of DGFT, CBIC and Department of Revenue. If a handicraft exporter has question[s] to ask on Foreign Trade Policy, he/she may please write / e-mail to EPCH at policy@epch.com

Impex # 1 DGFT notifies 'Appendices' and 'Aayat Niryat Forms' of Foreign Trade Policy 2023

DGFT issues Public Notice containing Appendices and Aayat Niryat Forms of Foreign Trade Policy 2023.

The Handbook of Procedures 2023 announced on 31.03.2023 did not contain the relevant Appendices and Ayat Niryat Forms. Now DGFT has issued a Public Notice No.10/2023 dt 26.04.2023 containing the same (copy reproduced below)

(Copy) Public Notice No. 10/2023 - DGFT, Dated: 26th April, 2023

In exercise of powers conferred under paragraph 1.03 and 2.04 of the Foreign Trade Policy, 2023, the Director General of Foreign Trade hereby notifies the Appendices & Aayat Niryat Forms. The updated Appendices & Aayat Niryat Forms are made available in the website of DGFT (<https://dgft.gov.in>).

Effect of this Public Notice: The Appendices & Aayat Niryat Forms of Foreign Trade Policy, 2023, are hereby notified.

Impex # 2 Validity of ad-hoc norms ratified from 01.04.2015 up to 31.03.2023 extended up to 31.03.2026

DGFT issues Public Notice to extend the validity of ad-hoc norms ratified from 01.04.2023 to 31.03.2023 which shall now be valid up to 31.03.2026.

For ease of doing export business and reduction of transaction cost, DGFT has issued a Public Notice No. 09/2023 dt 25.04.2023 adding a para in existing para 4.12 (vi).

The added para reads as under

"However, the norms ratified by any Norms Committee (NC) on or after 01.04.2015 in respect of any advance authorization obtained under paragraph 4.07 of HBP, 2015-20 shall also be valid further up to 31.03.2026".

Copy DGFT Public Notice No.09 dt 25.04.2023 referred to above is reproduced below:

(Copy) Public Notice No.09/2023 DGFT, Dated : 25th April, 2023

Subject: Amendment in Para 4.12 (vi) of the Handbook of Procedures, 2023.

In exercise of powers conferred under Paragraph 1.03 and 2.04 of the Foreign Trade Policy, 2023, as amended from time to time, the Director General of Foreign Trade hereby makes the following amendment in the provision of Para 4.12(vi) of the Handbook of Procedures 2023:

Existing para 4.12(vi)	Amended para 4.12(vi)
Norms ratified by any Norms Committee (NC) in the O/o DGFT on or after 01.04.2023 in respect of any Advance Authorisation obtained under paragraph 4.07 shall be valid for a period of three years from the date of ratification. Since all decisions of the Norms Committees are available	Norms ratified by any Norms Committee (NC) in the O/o DGFT on or after 01.04.2023 in respect of any Advance Authorisation obtained under paragraph 4.07 shall be valid for a period of three years from the date of ratification. However, the Norms ratified by any Norms Committee (NC) on or after 01.04.2015 in respect of any Advance Authorisation obtained under paragraph 4.07

in the form of minutes on the DGFT website, all other applicants of Advance Authorisation are also eligible to apply and get their authorisations based on such ratified norms on repeat basis during validity of these norms. This para is not applicable for authorisations applied for items listed under Appendix 4P.

of HBP, 2015-2020 shall also be valid further upto 31.03.2026. Since all decisions of the Norms Committees are available in the form of minutes on the DGFT website, all other applicants of Advance Authorisation are also eligible to apply and get their authorisations based on such ratified norms on repeat basis during validity of these norms. This para is not applicable for authorisations applied for items listed under Appendix 4P.

Effect of the Public Notice: Para 4.12(vi) of the Handbook of Procedures 2023 in respect of Advance Authorization issued under para 4.07 of HBP 2015-2020 has been amended to extend the validity of ad-hoc norms ratified from 01.04.2015 up to 31.03.2023, which shall now be valid up to 31.03.2026, for ease of doing business and reduction of transaction cost.

Impex # 3

DGFT issues clarification in 'Amnesty Scheme' dt 01.04.2023

DGFT issues Public Notice to clarify that in the Amnesty Scheme the interest payable is capped at maximum of 100% of such duties exempted on which interest is payable. Further no interest is payable on the portion of addition custom duty and special additional custom duty.

DGFT had announced an 'Amnesty Scheme' as detailed in its Public Notice No. 2 dt 01.04.2023. Now it has issued a Public Notice No. 7/2023 dt 18.04.2023 containing clarification about the duties on which interest is payable. (Copy reproduced below)

(Copy) Public Notice No: 7/2023, Dated 18th April, 2023

Subject: Amnesty scheme for one time settlement of default in export obligation by Advance and EPCG authorization holders - Amendment reg.

In exercise of powers conferred under Paragraph 1.03 of the Foreign Trade Policy (FTP) 2023, as amended from time to time, the Director General of Foreign Trade hereby makes the following amendment in the para II(ii) of Public Notice No. 2/2023 dated 01.04.2023 notifying the Amnesty Scheme :-

II) All pending cases of the default in meeting Export Obligation (EO) of authorizations mentioned in para (I) above can be regularised by the authorisation holder on payment of all customs duties that were exempted in proportion to unfulfilled Export Obligation and interest payable is capped at maximum of 100% of such duties exempted on which interest is payable. However, no interest is payable on the portion of Additional Customs Duty and Special Additional Customs Duty.

Effect of this Public Notice: Public Notice No. 2/2023 dated 01.04.2023 is amended to clarify the duties on which interest is payable.

Impex # 4

Detailed procedure and instructions issued for issuance of EODC for AA and EPCG process from DGFT portal

DGFT issues Trade Notice on issuance of EODC for AA and EPCG process from DGFT portal.

The procedure for obtaining EODC against AA and EPCG Authorizations has changed a lot. From manual it has change to e-mode. As things stand at present no EODC is issued manually.

Now DGFT has issued a Trade Notice No.01/2023-24 (copy produced below) dt 06.04.2023 containing detail procedure and instructions for issuance of EODC for AA and EPCG process from DGFT Portal.

(Copy) Trade Notice 01/2023-24, Dated: 6th April 2023

Subject: Issuance of EODC for AA and EPCG process from DGFT portal -reg.

Reference is drawn to earlier Trade Notice no.24/2022-23 dated 12th January 2023 regarding the online functionality to AA / EPCG authorisation holders to update closure / redemption status on the DGFT Website (<https://dgft.gov.in>) of manually issued EODC in case incorrectly reflected on the DGFT portal.

2. In continuation to the said instructions, it is informed that -
 - i. Online application for redemption/closure of licence may be submitted by navigating to DGFT website -> Services -> AA / EPCG -> Closure of Advance Authorisation / Closure of EPCG.
 - ii. AA closure application may be submitted with or without data validationsa-
 - a. With Validation Route- Given that the complete dataset such as shipping bills / Bills of Entry / eBRC / GST invoices / Bills of Exports / Tax Receipts etc. is available in online system.
 - b. Without Validation Route- Application may be submitted even with data (such as shipping bills / Bills of Entry / eBRC etc.) exceptions.
 - iii. EPCG closure applications may also be submitted online without validation.
3. For cases wherein physical files are submitted for redemption to the RA, the Authorisation holders may submit EODC status update applications to RA for processing. Following steps may please be taken note of-
 - i. RA may suo-moto update the licence status by navigating to License Room, select relevant License number -> Click on "EODC Status Update" button and generate the EODC letter online.
 - ii. Authorisation Holder may submit EODC status update application by navigating to DGFT website -> Services -> AA / EPCG -> EODC Status update.
4. If certain documents require physical submission, the Authorization holder would still apply for redemption on DGFT portal (without validation). Regional Authorities will examine the case accordingly and correspondence with the applicant shall be undertaken online using the DGFT portal.
5. It may be noted that any such EODC issued online is electronically transmitted to Customs ICEGATE System in near real-time, to facilitate discharge of Customs bond and other related activities at the Customs port.
6. The above-mentioned online options cover online applications with validation as well as online application without validation involving physical submission. It is accordingly directed that no Export Obligation Discharge Certificates (EODC) are to be issued manually or through any legacy IT system (LEMIS System) with immediate effect.

Impex # 5

Amendments under 'Interest Equalization Scheme' in respect of UIN

DGFT issues two Trade Notices making amendments in 'Interest Equalization Scheme' in respect of UIN.

The Interest rates on credits in India is quite high with the result that export goods become non-competitive on this count also. To take care of this difficulty the government of India started a scheme known as 'Interest Equalization Scheme' under which the interest rates on export credit is reduced.

To obtain the above benefit the exporter have to follow a laid down procedure which requires an exporter to submit an acknowledgment consisting of a UIN (Unique Identification Number) to the bank.

DGFT has issued two Trade Notices No.03/2023-24 dt 20.04.2023 and 04/2023-24 dt 21.04.2023 making amendments relating to UIN (copy reproduced below).

(Copy) DGFT Trade Notice No.03/2023-24, Dated: Dated: 20.04.2023

Subject: Amendments under Interest Equalisation Scheme in respect of UIN- reg.

Attention of Trade and Industry is drawn towards Trade Notice no.38/2021-22 dated 15.03.2022, wherein the eligible Interest Equalisation beneficiaries w.e.f 01.04.2022 were required to submit an Acknowledgement consisting of a Unique Identification Number (UIN) to the concerned bank to avail the interest subvention under this scheme.

2. All the exporters seeking benefits under the Interest Equalisation Scheme w.e.f 01.05.2023 are required to submit an Acknowledgement consisting of UIN which would be associated with a particular bank only for a ONE-TIME disbursement. The beneficiaries of this scheme are directed to submit a new UIN for each disbursement to the concerned bank. This also applies where the credit is rolled over, and a new UIN shall be generated by the exporter for each roll over.

(Copy) Trade Notice No. 04/2023-24- DGFT, Dated: 21.04.2023

Subject: DGFT Trade Notice No. 04/2023-24, Dated: 21.04.2023

Attention of Trade and Industry is drawn towards Trade Notice no.03/2023-24 dated 20.04.2023, wherein the eligible Interest Equalisation beneficiaries w.e.f 01.05.2023 were required to submit an Acknowledgement consisting of UIN which would be associated with a particular bank only for a ONE-TIME disbursement, also applicable where the credit is rolled over.

2. The amendments stated under the above-mentioned Trade Notice are deferred in view of the operational challenges expressed by the beneficiaries of the scheme and the banks. The revised guidelines are as follows:

- An Acknowledgement consisting of UIN, valid for a financial year shall be unique to a specific bank. If a scheme beneficiary desires to take advantage of the benefits of the scheme from multiple banks, a new UIN must be provided for each bank.

Impex # 6

Questions & Answers

Question : Whether I need to register at the port for the purpose of claiming and utilisation and RoDTEP benefits?

Answer : Registration on the ICEGATE online portal and creation of the e-credit ledger seems to be sufficient compliance to avail the benefit of this scheme. The registration at the port of export, as was required under the erstwhile MEIS scheme, is not required under this scheme. This is more so because the entire mechanism of issuance, processing, generation, and utilization of the scrips is being carried out through a common portal in the ICEGATE.

Question : In case of non-realisation of export proceeds for exports made under the RoDTEP Scheme, is it recovered from the transferee who is an importer?

Answer : No. This was true only till 13th September, 2022 as the Government amended the relevant Customs notification prescribing the same by Custom Notification 75/2022(NT) dated 14th September, 2022 deleting reference of transferee for any recovery either on non-realisation of exports proceeds by the exporter or inadvertent excess release of RoDTEP to exporter which may have been subsequently utilized by the transferee.