

This column is compiled by Consultant [EXIM Policy] of EPCH. It contains recent Public Notices, Notifications and Circulars of DGFT, CBEC 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

Another e-Governance initiative in DGFT

DGFT issues Public Notice notifying that with effect from 21st Sept, 2015 modification in e-IECs as well as IECs issued in physical format shall be carried out online only.

Steadily and surely DGFT is adapting e-governance initiatives. A step in the direction is the modification of IECs by online only.

DGFT has issued a Public Notice No. 36/2015-16 dt 14-09-2015 notifying therein that w.e.f. 21-09-2015 all modification in e-IECs and IECs issued in physical form can be carried out by online only. The step will expedite the modification.

Extract from the DGFT Public Notice dt 14-09-2015 referred to above are given below:

Subject: Operationalization of modification in IEC - reg.

The new format of online application form for issue/modification in IEC has been notified vide Public Notice No. 76 dated 27.11.2014. Subsequently online application for IEC was operationalized w.e.f. 01.02.2015 vide Public Notice No.83 dated 30.01.2015.

2. Now, in exercise of powers conferred under paragraph 2.4 of the Foreign Trade Policy (2009-2014), the Director General of Foreign Trade hereby notifies operationalization of modification in e-IEC's as well as the IEC's issued in physical format from the 21st of September, 2015.
3. Applicants seeking modification in their IEC's may log on to dgft.nic.in and click on Importer Exporter Code (IEC) under Quick Links and select "Modify your IEC" to amend their e-IEC's and IEC's in physical format. Henceforth all modifications in e-IEC's/ IEC's would be done online only.
4. The fees for modifications in e-IEC's/IECs is Rs.200/- and fees can be paid online through net banking or through credit/debit cards.
5. Effect of this Public Notice: Modifications in Electronic IECs as well as physical IECs will now be carried out online. Applicants can seek modifications in their e-IEC's/ IEC's by paying a fee of Rs.200/- online from the 21st of September, 2015.

Impex # 2

Clarification on third party exports in EPCG Scheme

DGFT issues Policy Circular clarifying that the provisions of para 5.10 (d) of HBP of 2015-20 shall be applicable to third party exports made on or after 01-04-2015 (even in respect of exports made under EPCG authorizations issued prior to 01-04-2015).

In the FTP provisions of third party exports are facilitation measures to enable small exporters to get associated with bigger exporters to increase their exports. The 'third party exports' is defined in para 9.60 of current FTP and reads as under: 9.60 THIRD PARTY EXPORTS: 'Third party exports' means made by an exporter or manufacturer on behalf of another exporter(s). In such cases, export documents such as shipping bills shall indicate name of both manufacturing exporter/ manufacturer and third party exporter(s). Bank Realization Certificate, Self Declaration Form (SDF), export order and invoice should be in the name of third party exporter.

DGFT has issued a Policy Circular No. 3/2015-20 dt 02-09-2015 containing clarification on third party exports in EPCG scheme as detailed in the heading above.

Extracts from DGFT Policy Circular dt. 02-09-2015 referred to above are given on next page:

To

All Regional Authorities

Subject: **Applicability of Para 5.10 (d) of Handbook of Procedure, 2015-20 relating to third party exports under EPCG Scheme.**

1. References have been received in this Directorate regarding the applicability of provisions of Para 5.10(d) of HBP 2015-20 relating to third party exports.
2. It is clarified that the provisions of Para 5.10(d) of HBP 2015-20 shall be applicable to third party exports made on or after 01.04.2015 (even in respect of exports made under EPCG authorizations issued prior to 01.04.2015). Third party exports which have been made prior to 01.04.2015 will be governed by the provisions of relevant policy/procedure.

This issues with the approval of DGFT.

Impex # 3

Skill Development in Export & Import Business by DGFT

DGFT starts 'on line' Certificate Program (Niryat Bandhu Programme) in Export, Import Business. Duration 20 days. -Fee Rs. 25000

These are times of skill development in all walks of life such as trade, commerce and industry, etc. Skill development reduces transaction cost both in terms of money & time. Handicraft items are result of skills and imagination/ visualization..

Export & Import is quite a complex business. To become an expert in it, one has to learn so many things. In order to make entrepreneurs, exporters, importers. etc.. well conversant with intricacies of imports, an 'on line' certificate course has

been introduced by DGFT. The details of the Training Programme is given in Additional DGFT, Mumbai Trade Notice No.05 dt 10-09-2015 reproduced below:

DGFT Online Certificate Program in Export Import Business

- First Session Begins from First Week of October
- Certified Exporter in 20 Days for Rs. 25k

[Addl. DGFT Mumbai Trade Notice No.05 dated 10th September 2015]

Sub.: Niryat Bandhu Programme: Online Certificate Program in Export & Import Business

The DGFT has collaborated with the Indian Institute of Foreign Trade (IIFT) which is a premier organization in this country to conduct this Online Certificate Programmes on international trade and international business management. The details of this programme are as follows:

The Programme Fee:

- Total Fee Rs. 25,000
- Participants to pay Rs. 15,000 only
- Balance to be borne by DGFT

Where to attend:

- In the comfort of your homes
- Direct live broadcast
- Available on your Desktop Computer

- Help Desk through Online Chat
- Live Q & A sessions

Who can attend:

- Entrepreneurs
- Exporters/Importers
- Employees of export house/status holders
- Anyone with interest in Exports, recommended by Regional Authority of DGFT

How to apply: Register online at <http://niryatbandhu.iift.ac.in>

It is urged that all exporters should learn first-hand about the export business so that they can have a commanding position in the export import business. This course will familiarize all exporters about the basics of export import business and is a stepping stone to make them an exporter in 20 days.

Those interested may kindly register immediately as the registration has opened on 10th September, 2015. The classes will begin from the first week of October 2015.

This trade notice is issued in interest of the trading community and the exporters.

Impex # 4

Questions & Answers

Question : Can the bill of entry or shipping bill be amended after the clearance of goods from the Customs area. Is there a time limit for doing so?

Answer : As per Section 149 of the Customs Act, 1962, 'no amendment of a bill of entry or a shipping bill or bill of export shall be authorized to be amended after the imported goods have been cleared for home consumption or deposited in a warehouse, or the export goods have been exported, except on the basis of documentary evidence which was in existence at the time the goods were cleared, deposited or exported, as the case may be.' So, the law allows amendment to a shipping bill or bill of entry even after the clearance of goods but only on the basis of documents that existed at the time of the clearance of goods.

Question : We could not handover the exports documents to- bank in specified time, do we require relaxation from RBI?

Answer : In cases where exporters' present documents pertaining to exports after the prescribed period of 21 days from date of export, banks may handle them without prior approval of the Reserve Bank, provided they are satisfied with the reasons for the delay.

Question : What are the conditions of adjusting import payments from exports receivables?

Answer : Set-off of export receivables against import payables is allowed subject to following terms and conditions:

- The import is as per the Foreign Trade Policy in force.
- Invoices/Bills of Lading/Airway Bills and Exchange Control copies of Bills of Entry for home consumption have been submitted by the importer to the bank.
- Payment for the import is still outstanding in the books of the importer.
- The "set-off" of export receivables against import payments should be in respect of the same overseas buyer and supplier and that consent for "set-off" has been obtained from him.

The relative EDF will be released by the bank only after the entire export proceeds are adjusted or received.

Question : For claiming Duty Credit Scrip under MEIS, what are the documents to be submitted as proof of landing?

Answer : The details on the subject is given in para 3.03 of the current H.B. of P. (vol.1) and is reproduced below for ready reference:

3.03 Proof of Landing

- (a) Wherever the reward under MEIS is available to all countries, proof of landing shall not be required to be submitted for claiming the reward
- (b) Uploading/submission of documents, as a proof of landing:
 - As a measure of ease of doing business, documents as a proof of landing of export consignment in notified market can be digitally uploaded in the following manner:
 - (i) Any exporter may upload the scanned copy of document as mentioned at paragraph 3.03 (c) (i) under his digital signature.
 - (ii) Status holders falling in the category of Three Star, Four Star or Five Star export house category may upload scanned copies of documents as mentioned at paragraph 3.03(c) (iv).
 - (iii) In all other cases the physical copy, in original, shall be filed by all categories of exporters.
- (c) Applicant shall be required to submit or upload, as the case may be, any one of the following documents as a proof of landing of export consignment in notified Market:
 - (i) A self attested copy of import bill of entry filed by importer in specified market, or
 - (ii) Delivery order issued by port authorities, or
 - (iii) Arrival notice issued by goods carrier, or
 - (iv) Tracking report from the goods carrier (Shipping Line/Airline etc. or his accredited agent in India) duly certified by them, evidencing arrival of export cargo to destination Market, or
 - (v) For Land locked notified Market, Rail/Lorry receipts of transportation of goods from Port to Land locked notified Market,
 - (vi) Any other document that may satisfactorily prove to RA concerned that goods have landed in / reached the notified Market.
- (d) In case of (iv) and (vi) above, the accredited agent of the Goods Carrier must certify that he is the accredited agent of the concerned Goods Carrier on the date of issuance of the tracking report / document.
- (e) Further, in the case of issuance of any other document under (vi) above, the accredited agent must state that proof of landing of goods in relevant notified Market is given based on information available in the Goods Carrier's backup database and he has verified the same and issued this document accordingly.
- (f) In cases of exports using e-commerce, exporter may submit express operator landing certificate/online web tracking print out indicating airway bill number as prescribed in enclosure (B) to ANF 3D.