

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

One more month allowed for filing applications for scrips

DGFT allows one more month (up to 31.01.2022) for submitting application for scrips based FTP schemes.

MEIS, RoSCTL and RoSL, etc. are important incentives for exporters. Application for obtaining the same have to be filed within the time period. This time period can also be extended by DGFT depending upon the larger interest of large number of exporters.

On 31.12.2021, DGFT issued a Notification No. 48/2015-20 dt 31.12.2021 extending the date for filing the application by one month up to 31.01.2022 as per details given in the above notification (reproduced below).

The new late cut for application filed up to 31.01.2022 has also been given in the above notification.

Copy of DGFT Trade Notification No.48/2015-2020-DGFT, New Delhi, Dt 31st December 2021

Subject: Extension of Last Date for Submitting applications for Scrip based FTP Schemes

S.O. 5490(E): In exercise of the powers conferred by Section 5 of the Foreign Trade (Development and Regulation) Act, 1992 read with Para 1.02 of the Foreign Trade Policy, 2015-20, the Central Government hereby amends the para 3.13A of the FTP 2015-20 (as notified vide Notification no.26 dated 16th September, 2021) with immediate effect. The para 3.13A shall now read as below:

3.13A: Last Date of Submitting Applications for Scrip based Schemes

- (a) In supersession of the existing laid down provisions in the Hand Book of Procedures, 2015-20 with regard to last date for submitting online applications for scrip based claims, the last date for submitting online applications stands revised to 31st January 2022 for the following schemes i.e.
- i. for MEIS (for exports made in the period (s) 01.07.2018 to 31.03.2019, 01.04.2019 to 31.03.2020 and 01.04.2020 to 31.12.2020),
 - ii. for SEIS (for service exports rendered for FY 18-19 and FY 2019-20),
 - iii. for 2 % additional ad hoc incentive (under para 3.25 of the FTP - for exports made in the period 01.01.2020 to 31.03.2020 only)
 - iv. for ROSCTL (for exports made from 07.03.2019 to 31.12.2020) and
 - v. for ROSL (for exports made upto 06.03.2019 for which claims have not yet been disbursed under scrip mechanism).

After 31.01.2022, no further applications would be allowed to be submitted and they would become time-barred. Late cut provisions shall also not be available for submitting claims at a later date.

- (b) In supersession of the laid down provisions on applicable late cut as in para 9.02 of the HBP, the new late cut for applications submitted upto 31.01.2022 as indicated above shall be:

Sl. No.	Scheme	Period of Exports (Let Export Date in the period) / Services rendered in the period	Late Cut (as % age of Entitlement under the Scheme)
1	MEIS	FY 2018-19 (01.07.2018 to 31.03.2019)	10%
2	MEIS	FY 2019-20 and FY 2020-21 (upto 31.12.2020)	Nil
3	SEIS	FY 2018-19	5 %
4	SEIS	FY 2019-20	Nil
5	ROSCTL	07.03.2019 to 31.12.2020	Nil
6	ROSL	Upto 06.03.2019	Nil

Effect of this Notification: The last date of submitting applications under MEIS, SEIS, ROSCTL, ROSL and 2% additional ad hoc incentive (under para 3.25 of FTP) which was earlier notified to be 31.12.2021 has been extended till 31.01.2022.

Impex # 2

Online filing of application for closure of Advance Authorisation has also allowed manually.

DGFT issues Trade Notice allowing manual filing of online application for EODC/closure under advance authorisation.

In view of the difficulties expressed by Advance Authorisation (AA) holders in their representation and also to ease process of filing of applications for closure of AAs, DGFT had decided to give an option to file manual/physical EODC applications for all such AAs which have been issued prior to 01.12.2020 vide his Trade Notice No. 28/2021-22 dt 31.12.2021 (reproduced below).

Exporters have also been requested by DGFT to update EODC/closure status of earlier issued AAs in the online system by 31.03.2021 as detailed in Trade Notice dt 31.12.2021 refer to above.

Copy of DGFT Trade Notice No.28/2021-2022, New Delhi, Dt 31.12.2021

Subject: Online Applications for EODC/closure under Advance Authorisation Scheme (AAS) -Option to file manual applications

Kindly Refer to Trade Notice 49/2020-21 dated 29.03.2021 issued on the above subject.

2. In view of difficulties expressed by Advance Authorization (AA) holders in their representations and also to ease process of filing of applications for closure of Advance authorizations, it has been decided to give an option to file manual/physical EODC applications for all such AAs, which have been issued prior to 1.12.2020.

3. In cases where the application for EODC/closure has been received in manual/physical mode, RAs on approval of such physical files are required to upload closure letters in the online system & update the status of the AA suitably.

4. It is further seen that in some cases of AA, the EODC/closure issued manually in earlier periods is not reflected correctly in the online system. Option is therefore provided on the DGFT website where the status of the past AA Authorizations can be seen by concerned exporters. In case it is found that Authorization has been closed/redeemed and the status is not reflected correctly, the exporter is required to upload online the copy of the closure letter/redemption letter against the said Authorization. RA may verify the request submitted by exporter for EODC updation against available office records and process it suitably. RA may also choose to update the status of the said cases suo-motu after verification from its

5. The exporters may follow the steps for EODC status updation as follows -

- i. "Go to DGFT Website under Services ? AA/DFIA ? 'Manual EODC Status Update'"
- ii. Scanned copy of EODC/Closure letter(s) is required to be uploaded at the time of
- iii. Accordingly All AA Holders are requested to verify the status of the AA issued earlier and submit the online request for updation of status(where required), not later than 31.03.2022. In the absence of updated online status, RA may take necessary action, as deemed fit for non-fulfilment of export obligation.

6. This issues with the approval of the competent authority.

Effect: Manual/physical filing of EODC/closure applications under AA scheme is allowed for AAs issued before 1.12.2020. Exporters are also requested to update EODC/Closure status of earlier issued AAs in the online system by 31.3.2022.

Impex # 3

Questions & Answers

Question : How is the quantum and period of pre-shipment credit decided?

Answer : The quantum of finance will be need based and worked out against specific orders or continuous orders over a given period of time taking into account the length of production cycle, time taken for procurement, etc. Pre-shipment credit is granted for periods decided upon the circumstances of each case such as the time required for procuring, manufacturing or processing of the goods. It is released in lumpsum or in stages, as per the requirement for executing the order/LC.

Question : How can an exporter check whether he is eligible for a gold card from the bank?

Answer : Exporters with credit worthiness and good track record whose accounts have been classified as 'standard' continuously for a period of 3 years and there are no irregularities/adverse features in the conduct of the accounts.

Exporters who are blacklisted by ECGC of India Ltd. or included in RBI's defaulter's list/caution list, or are making losses for the past 3 years, or have overdue export bills in excess of 10 percent of the current year's turnover, will not be eligible under Gold Card Scheme.

Question : Does the Gold Card holder get any preferential treatment in fixation of credit limit?

Answer : The 'in-principle' limits will be sanctioned for a period of three years, subject to review on an annual basis and limits would be renewed subject to fulfillment of the terms and conditions and satisfactory conduct of the account.

The need-based finance would be determined taking into account the anticipated export turnover and track record of the exporter besides other aspects of credit appraisal.

A standby limit of 20 percent of the assessed limit will be made available to facilitate urgent credit needs.

Question : Whether I need to register at the port of exports for the purpose of claiming and utilization of RoDTEP scrip?

Answer : Registration on the ICEGATE online portal and creation of the e-credit ledger seems to be sufficient compliances to avail the benefit of the RoDTEP scheme. The registration at the port code 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.