

Directorate General of Foreign Trade (DGFT)

Re-operationalization of Scrip Transfer Recording Module (STRM)

[Trade Notice No.01/2022-23 dated 11.04.2022](#)

The STRM module that was suspended due to fraudulent scrip transfers, has been re-operationalized by the Directorate General of Foreign Trade (DGFT) with additional features.

The additional features added to the STRM are:

- Time-lag for transfer of the scrip from original scrip owner to the next transferee;
- Time-lag for the scrip transfer from one entity to another;
- Time-lag for transfer of scrip subsequent to Import Export Code (IEC) modification;
- Limitation on a number of scrip transfers that can be initiated for transfer or accepted by each IEC per day;
- Email and SMS notifications to IEC holders on the following trigger points:
 - Transfer of Scrips
 - Modification of IEC – Change in email/mobile for correspondence and changes in director/ partner section

- Linking of users to IEC;
- Automated de-linking of Users from IEC every 6 months;
- Automated de-linking of Digital Signature and Aadhar Registration every day;
- Certain IECs which have been flagged in the IT database based on certain Rules like same mobile number linked to more than 3 IECs, PAN mismatch, Director/ Partner name mismatch etc. will not be allowed to use the STRM until this flag is suitably rectified by the IEC holder.

Appendix 4R lists the new RoDTEP export items, rate and per unit value caps

[Notification No. 04/2015-2020 dated 11.05.2022](#) and [Notification No.12/2015-2020 dated 01.06.2022](#)

The DGFT has notified the new RoDTEP (Remission of Duties and Taxes on Exported Products) Schedule (Appendix 4R) and made certain changes in Customs Tariff Schedule effective from 01.01.2022 and then from 01.05.2022 respectively, after aligning the earlier schedule. The new Appendix 4R contains the

eligible RoDTEP export items, rates, and per unit value caps wherever applicable which is available at the DGFT portal www.dgft.gov.in under the link 'Regulatory Updates>RoDTEP'.

Amendment in Chapter 5 of the HBP 2015-20

Amendment under ANF-4F of Handbook of Procedures 2015-2020

[Public Notice No.11/2015-20 dated 07.06.2022](#)

The DGFT has issued a notice to amend Para 2(b) (i) of the 'Guidelines for Applicants' under ANF-4F of Handbook of Procedures 2015-2020 (HBP 2015-20) to simplify the procedure and reduce the compliance burden for applying for Export Obligation Discharge Certificate (EODC) in case of deemed exports.

The amended para reads as under:

"2(b) For Deemed Exports

(i) A copy of the invoice or a statement of invoices duly signed by the unit receiving the material certifying the item of supply, its quantity, value and date of such supply. However, in case of supply of items which are non-excisable or supply of excisable items to a unit producing non-excisable product(s), a project authority certificate (PAC) certifying quantity, value and date of supply would be acceptable in lieu of excise/GST certification. However, in respect of supplies to EOU/EHTP/ STP/ BTP, a copy of CT-3/ARE-3 duly signed by the jurisdictional excise/GST authorities certifying the item of supply, its quantity, value and date of such supply can be furnished in lieu of the excise/GST attested invoice(s) or statement of invoices as given above. However, in case of supply of the product by the Intermediate supplier to the port directly for export by the ultimate exporter (holder of Advance Authorisation or DFIA) in terms of paragraph 4.30 of HBP, copy of the shipping bill with the name of domestic supplier as Intermediate supplier endorsed on it along with the file No./ Authorisation No. of the ultimate exporter and the intermediate supplier shall be required to be furnished."

[Public Notice No.13/2015-20 dated 09.06.2022](#)

The DGFT has issued a notification to amend Chapter 5 of the HBP 2015-20 which is related to Export Promotion Capital Goods Scheme (EPCG) to reduce 'Compliance Burden' and enhance 'Ease of doing Business'.

In paragraph 5.15, which specifies Annual reporting of Export Obligation fulfilment, the following sentence has been inserted, namely: "Time limit to file returns for the year 2022-23 is extended till 30.9.2022. Late fees of Rs. 5000/- under this para is applicable for the returns due to be filed from the year 2022-23 onwards".

Relaxation in provision of submission of 'Bill of Export'

[Circular No. 39 dated 07.06.2022](#)

The DGFT on 07.06.2022 has notified relaxation in provision of submission of 'Bill of Export' as evidence of export obligation discharge for supplies made to SEZ units in case of Advance Authorisation (AA).

The key points of the notification are:

- The requirement of submission of 'Bill of Export' in case of exports made to SEZ units under AA has been relaxed, for all supplies made prior to 01.04.2015.
- For the purpose of discharge of export obligation under AA, the exporters can submit corroborative evidence in lieu of 'Bill of Exports' such as:
 1. ARE-1 form duly attested by jurisdictional Central Excise/GST Authorities of AA holder.
 2. Evidence of receipt of the supplies by the recipient in the SEZ.
 3. Evidence of payment made by the SEZ unit to the AA holder.

Extension of deadlines for submission of applications under Merchandise Exports from India Scheme (MEIS)

[Notification No.15/2015-2020 dated 01.07.2022](#)

The DGFT has extended the last date of submitting application under MEIS for exports made during the period from 01.09.2020 to 31.12.2020 from 30.04.2022 to 31.08.2022 without any late cut.

Exemption from Integrated Goods and Services Tax (IGST) and Compensation Cess to goods imported under AA, EPCG and EOU scheme

[Notification No.16/2015-2020 dated 01.07.2022](#)

The DGFT has amended Para 4.14, Para 5.01(a) and Para 6.01(d)(ii) of the Foreign Trade Policy 2015-2020 (FTP) to exempt goods imported under AA, EPCG and EOU scheme from IGST and Compensation Cess. Corresponding amendment has been made in Customs vide [Notification no. 37/2022 dated 30.06.2022](#).

Customs

Monitoring of realization of export proceeds for shipping bills for which drawback has been claimed and disbursed

[Public Notice No.20/2022-Customs dated 25.03.2022](#)

The Central Government has reiterated that RBI-BRC module is effective for all the Shipping Bills (SB) for which Let Export Order (LEO) date is on or after 01.04.2014. Realization of export proceeds should happen within a period of 9 months from the date of exports. In case where the export processed have not been realized within the stipulated period, the drawback distributed becomes recoverable under Rule 18 of the Customs, Central Excise Duties Drawback Rules, 2017 along with applicable interest.

SB for the period from 01.04.2014 to 31.03.2018 where export proceeds have not been realized or partially realized, are being made available on the website www.jawaharcustoms.gov.in.

Exporters are advised to follow up with their authorized banks to update the export proceeds realization details in their respective bank's Export Data Processing and Monitoring System (EDPMS) so that the data is transmitted to Customs for reconciliation.

Additionally, exporters themselves can verify export proceeds realization details in respect of individual export shipment and raise queries related to rectification required if any on the ICEGATE Portal.

Central Board of Indirect Taxes and Customs (CBIC) gives effect to the first tranche of India-UAE CEPA (Comprehensive Economic Partnership Agreement between the Government of the Republic of India and the Government of the United Arab Emirates)

[Notification No.22/2022- Customs dated 30.04.2022](#)

The Central Government has exempted certain goods as notified under this notification when imported into India from United Arab Emirates (UAE).

Provided that the exemption shall be available only if the importer proves to the satisfaction of the Deputy Commissioner of Customs (DC, Customs) or the Assistant Commissioner of Customs (AC, Customs), that the goods in respect of which the benefit of this exemption is claimed are of the origin UAE, in terms of rules notified in this regard by the Central Government by publication in the Official Gazette of India read with Customs (Administration of Rules of Origin under Trade Agreements) Rules, 2020.

This notification has come into force from 01.05.2022.

Making of the Customs Tariff (Determination of Origin of Goods under the Comprehensive Economic Partnership Agreement between India and the United Arab Emirates) Rules, 2022

[Notification No.39/2022-Customs \(N.T.\) dated 30.04.2022](#)

The Central Government has notified Customs Tariff Rules, 2022 applicable for trade between India and UAE with effect from 01.05.2022.

The key highlights of the said Rules are:

- A product will be eligible for preferential treatment under the agreement, if:
 - It is wholly obtained or produced in India or UAE; or
 - It has undergone sufficient working or production in India or UAE as per the prescribed Product Specific Rules (PSR).
- Value addition in terms of PSR is to be computed by using either of the two methods listed below:
 - Free-on-board (FOB) value or ex-works price less the value of non-originating material (NOM)/ FOB value or ex-works price
 - Cost of originating material plus direct labour cost plus the direct overhead cost/ FOB value or ex-works price.

The difference in value addition percentages depending on the methodology (i.e., FOB value or ex-works price) is also defined

- The Rules prescribe for de-minimis criteria, minimal or insufficient operations or processes, non-qualifying operations, bilateral cumulation, accounting segregation, etc., for origin determination.
- Benefit under the agreement is allowed in case of third-party invoicing if it meets the other requirements prescribed in the rules.
- The Rules also cover proof of origin for establishing origin criteria, Certificate of Origin (CoO) and certification procedures, issuance, presentation, and verification of

CoO, maintenance, and preservation of records, consultation and data interchange by the notified authorities, and restoration or suspension of benefits and penal implications on non-compliance.

Further, NIL/ concessional customs duty benefit has also been notified for import of goods from UAE, to give effect to the first tranche of CEPA.

Changes introduced in Customs Tariff w.e.f. 01.05.2022

[Public Notice No.24/2022- Customs dated 05.05.2022](#)

Certain changes have been introduced in Customs Tariff effective from 01.05.2022.

Key highlights of the changes are:

- 170 new tariff lines were added and 60 old ones were deleted in the Customs Tariff Act;
- The declaration in documents i.e., in Bills of Entry (B/E) including the Ex-bond B/Es and SBs, will have to be filed with new/ valid Customs Tariff Head (CTHs) only;
- Advance/ Prior B/Es filed before 01.05.2022 but pending for regularization will have to be recalled and reassessed in case CTHs have changed;
- The SBs would be required to be amended if the export benefits associated with the amended CTHs are getting affected;
- Any discrepancies noticed or any difficulties faced can be brought to the notice of the Additional Commissioner of Customs, Appraising Main (Import) JNCH through email at appraisingmain.jnch@gov.in.

Exemption of deposits from the provision of section 51A of Customs Act

[Notification No.47/2022-Customs \(N.T.\) dated 31.05.2022](#)

The CBIC has exempted the deposits pertaining to all classes of persons and all categories of goods from the provision of the section 51A of the Customs Act dealing with payment of duty, interest, penalty etc. through electronic cash ledger.

This notification has come into force w.e.f. 01.06.2022 and shall be effective up to 29.11.2022.

CBIC issues Advisory on changes in Customs System with respect to Authorized Dealer Code (AD Code) registration in exports

[Public Notice No.33/2022-23 dated 21.06.2022](#)

To facilitate trade, the Director General of System and Data Management of the CBIC has made various changes in the system in respect of AD Code registration.

Following changes has been made:

- AD code associated with a bank account will be registered at only one port and the same will be available at all customs locations;
- Any changes or amendment in a particular AD code shall be done at the port of registration only;
- There can be multiple AD codes and registered accounts associated with an IEC. No changes have been made in this regard;
- All multiple AD codes will have to be registered in the system at any one of the ports. Thus, for an IEC, there can be different ports of registration for different AD codes;
- For the existing AD codes, the custom port where the last shipping bill was filed shall be considered as the registration port. Any changes or amendments to the AD code will be made at that port only;
- The details of the port of registration for each registered AD code against an IEC would be available on the ICEGATE login ID under **Bank Account Management Option**.

KEY TAKE AWAY

- The STRM module is re-operationalized by the DGFT w.e.f. 11.04.2022.
- DGFT amends HBP 2015-20 to simplify the procedure and reduce the compliance burden for EODC scheme in case of deemed exports and EPGC scheme.
- DGFT relax the provision of submission of 'Bill of Export'.
- DGFT extends the last date for MEIS application (period: September 2020 to December 2020) till 31.08.2022.
- DGFT exempts IGST and Compensation Cess for goods imported under AA, EPCG and EOU scheme .
- CBIC adds 170 new tariff lines and deletes 60 old items in the Customs Tariff Act w.e.f. 01.05.2022



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