

Foreign Trade Policy (FTP)

DGFT withdraws EODC Online Monitoring System for AA and EPCG in light of the new system

[Trade Notice No. 24/2022-23 dated 12.01.2023](#)

Vide [Trade Notice No. 1/2018-19 dated 04.04.2018](#), a system was designed for monitoring the progress of the Export Obligation Discharge Certificate (EODC) applications of Advance Authorisation (AA) and Export Promotion Capital Goods (EPCG) Authorisation where all Regional Authorities (RAs) were expected to input the data related to the application submitted by the exporter. The DGFT has now withdrawn the usage of the EODC online system (<http://eodc.online>) on account of implementation of the revamped DGFT IT system. Additionally, in cases where the EODC or closure was issued manually during earlier periods and the status was incorrectly reflected on the online system, the exporters can now update it by uploading the file manually.

Issuance of EODC for AA and EPCG process from DGFT portal

[Trade Notice No. 01/2023-24 dated 06.04.2023](#)

The DGFT vide [Trade Notice No. 24/2022-23 dated 12.1.2023](#), provided online functionality to AA/ EPCG authorization holders to update the closure/ redemption status on the DGFT website for manually issued EODC. Through this notice, following further instructions are given to AA and EPCG authorization holders regarding EODC:

For AA holders:

- Online application for redemption/ closure of licence may be submitted by navigating to DGFT website >>> Services >>> AA >>> Closure of AA;
- AA closure application may be submitted with or without data validations;
 - a) **With Validation Route** – If complete dataset such as shipping bills/ Bills of Entry/ eBRC/ GST invoices/ Bills of Exports/ Tax Receipts, etc. is available in the online system.

b) **Without Validation Route** – Application may be submitted even with data exceptions (such as shipping bills/ Bills of Entry/ eBRC, etc.).

For EPCG holders:

- Online application for redemption/ closure of licence may be submitted by navigating to DGFT website >>> Services >>> EPCG >>> Closure of EPCG;
- EPCG closure applications may also be submitted online without validation.

In cases where physical files are submitted for redemption to RAs, EODC status update applications may be submitted to them for processing.

The said notice is subject to further important steps as specified therein.

Alignment of RoDTEP Schedule for Chapters 28, 29, 30 and 73 with First Schedule of Customs Tariff Act, 1975

[Notification No. 55/2015-2020 dated 07.02.2023](#)

The DGFT has notified the amended Remission of Duties or Taxes on Export Products (RoDTEP) Scheme Schedule (Appendix 4R), for the period from 15.02.2023 to 30.09.2023, containing the eligible RoDTEP export items, rates and per unit value caps applicable for products covered under Chapters 28 (Inorganic chemicals; organic or inorganic compounds of precious metals, of rare-earth metals, of radioactive elements or of isotopes), 29 (Organic Chemicals), 30 (Pharmaceutical Products) & 73 (Articles of Iron or Steel) of the Customs Tariff Act, 1975. This amendment has been made to align the RoDTEP Schedule with the changes in the Tariff. The amended Schedule is available at the DGFT portal www.dgft.gov.in under the link 'Regulatory Updates>RoDTEP.

Processing of MEIS/ SEIS applications pending at RAs

[Circular No. 46 dated 20.02.2023](#)

The DGFT has issued clarification relating to

processing of all Merchandise Exports from India Scheme (MEIS)/ Service Exports from India Scheme (SEIS) applications, which are pending before RAs due to deficiencies on the basis of Para 3.06 of the Handbook of Procedure 2015-2020 (HBP 2015-2020).

It was clarified by the Competent Authority that all such MEIS/ SEIS applications, which have been kept pending and are deficient may be re-opened by the RAs and examined again on merits/ additional documents submitted by the firm as per extant policy and procedural conditions.

RAs were advised to provide an opportunity of personal hearing to the applicants, before rejecting a case.

Amendment in para 4.42 of the HBP 2015-2020

[Public Notice No. 59/2015-2020 dated 28.02.2023](#)

The DGFT has amended para 4.42 of the HBP 2015-2020 to integrate a uniform and transparent system for implementation of all Policy Review Committee (PRC) decisions including previous decisions involving process of levying Composition Fee in case of extension of Export Obligation Period (EOP) and/ or regularisation of exports already made under AA Scheme, for ease of doing business and reduction of transaction cost.

CIF Value and composition fee to be levied in case of AA is as under:

CIF Value of AA Licenses issued	Composition Fees to be levied (Rs.)
Up to Rs. 2 crores	25,000
More than Rs. 2 crores to Rs. 10 crores	50,000
Above Rs. 10 Crores	1,00,000

No refund of earlier paid Composition Fee shall be admissible.

Introduction of the new Foreign Trade Policy, 2023

[Notification No. 1/2023 dated 31.03.2023](#)

The DGFT has issued the said notification introducing the new Foreign Trade Policy, 2023 (FTP 2023) replacing the existing FTP 2015-2020. The new FTP 2023 shall be effective from 01.04.2023.

Introduction of the new Handbook of Procedures, 2023

[Public Notice No. 1/2023 dated 01.04.2023](#)

The DGFT has issued the said public notice introducing the new Handbook of Procedures, 2023 (HBP 2023) replacing the existing HBP 2015-2020. The new HBP 2023 shall be effective from 01.04.2023.

Amnesty Scheme for one time settlement of default in export obligation

[Public Notice No. 2/2023 dated 01.04.2023](#)

The DGFT has issued a one-time facility called "Amnesty Scheme for one time settlement of default in export obligation by AA and EPCG Authorization Holders"

- The scheme covers AA and EPCG Authorization holders (all variants) issued under Foreign Trade Policy, 2009-2014 till 31.03.2015;
- The scheme also covers AA and EPCG Authorization holders (all variants) issued under Foreign Trade Policy, 2004-2009 and before, the coverage is limited to those authorizations whose EOP (original or extended) was valid beyond 12.08.2013;
- To avail the benefit under the scheme the authorization holder shall apply vide the application form provided on the DGFT website for such scheme.

Online filing of AEO-LO application

[Circular No. 10/2023 dated 11.04.2023](#)

The Central Board of Indirect Tax and Customs (CBIC) has launched a new version (V.3.0) of web application for on-boarding of Authorized Economic Operator (AEO-LO) applicants by way of online filing, real-time monitoring and digital

certification. The new version is designed to ensure continuous, real-time and digital monitoring of the physically filed AEO-LO applications for timely intervention and expedience. This will be made accessible to both the applicants and the Customs officials from 11.04.2023.

Customs

Customs Assistance in Value Declaration of Identified Imported Goods Rules, 2023 (CAVR 2023)

[Notification No. 03/2023-Customs \(N.T.\) dated 11.01.2023](#) and [Circular No. 01/2023-Customs dated 11.01.2023](#)

The Finance Act, 2022, through amendment in section 14 of the Customs Act, 1962 placed an additional obligation on the importer in cases where the imported goods are likely to be undervalued. By way of this amendment, CAVR 2023 is notified effective from 11.02.2023, outlining added responsibility of the importer concerning a class of imported goods whose value is not declared correctly, the criteria of selection of such goods and the checks to be exercised for such goods.

Exemption from Deposits in ECL

[Notification No. 18/2023-Customs \(N.T.\) dated 30.03.2023](#)

The CBIC has issued the said notification to provide exemption from deposits in Electronic Credit Ledger (ECL) under section 51A(4) of the Customs Act, 1962 from 01.04.2023 to 30.04.2023. Exemptions are provided for the deposits:

- With respect to goods imported or exported in customs stations where customs automated system is not in place;
- With respect to goods imported or exported in International Courier Terminals;
- With respect to accompanied baggage;
- Other than those used for making electronic payment of:

- a) any duty of customs, including cesses and surcharges levied as duties of customs;
 - b) integrated tax;
 - c) Goods and Service Tax Compensation Cess;
 - d) interest, penalty, fees or any other amount payable under the Act, or Customs Tariff Act, 1975 (51 of 1975).
- c) Other sums due for payment by shipping lines, customs brokers, etc.
 - d) Payment towards the collection of fees, charges, etc. including by Participating Government Agencies (PGA), during import or export.

Phased Implementation of ECL in Customs

Circular No. 09/2023-Customs dated 30.03.2023

The CBIC has introduced phased implementation of ECL which is aimed at leveraging technology and reforming the payment process related to the clearance of goods as the deposit may be held in ECL by the trade for making subsequent transaction-wise payment of various types.

The following salient points are stated in the Circular:

- The ECL functionality provides enabling provision whereby the importer, exporter, or any person liable to pay the duty, fees, etc. under the Customs Act, has to make a non-interest-bearing deposit with the government for the purpose of payment.
- In the 1st phase, exemption for the deposit from the provision of section 51A from 01.04.2023 to 30.04.2023 were notified for restricted goods through [Notification No. 18/2023-Customs \(N.T.\) dated 30.03.2023](#)
- In the 2nd phase, from 01.05.2023, the exemptions mentioned would continue, except for the deposits with respect to goods imported or exported at International Courier Terminals.
- After the introduction of the second phase, subsequently, the following functionalities shall be developed in ECL namely:
 - a) Auto-debit of self-assessed amount from the ECL when liability becomes due
 - b) Payment made on own ascertainment for various purposes such as pre-deposits for filing appeals, etc.

Any difficulty faced by the stakeholders to be brought to the notice simultaneously at icegatehelpdesk@icegate.gov.in and dircus@nic.in

Manner of issue of duty credit for goods exported under the RoDTEP Scheme under FTP 2023

Notification No. 24/2023-Customs (N.T.) dated 01.04.2023

The Central Government (CG), vide the said notification, notifies the manner of issue of duty credit for goods exported under the RoDTEP Scheme subject to conditions and restrictions as specified in accordance with paragraph 4.01(d) of the FTP 2023.

Manner of issue of duty credit for goods exported under the RoSCTL Scheme under FTP 2023

Notification No.25/2023-Customs (N.T.) dated 01.04.2023

The CG, vide the said notification, notifies the manner of issue of duty credit for goods exported under the Rebate of State and Central Taxes and Levies (RoSCTL) Scheme subject to such conditions and restrictions as specified in accordance with the Government of India, Ministry of Textiles' Notification No. 12015/11/2020-TTP dated the 13.08.2021.

On 01.04.2023, the CBIC issued various Customs Notifications subject to certain conditions given therein in relation to FTP 2023 as mentioned in the table below:

Notification No.	Subject	Link
21/2023-Customs	Regarding implementation of AA Scheme under FTP 2023	Click here
22/2023-Customs	Regarding implementation of AA Scheme for deemed export under FTP 2023	Click here
23/2023-Customs	Regarding implementation of AA Scheme for annual requirement under FTP 2023	Click here
24/2023-Customs	Regarding implementation of AA Scheme for export of prohibited goods under FTP 2023	Click here
25/2023-Customs	Regarding implementation of Duty Free Import Authorisation Scheme under FTP 2023	Click here
26/2023-Customs	Regarding implementation of EPCG Scheme under FTP 2023	Click here
28/2023-Customs	Seeks to amend Notifications of G&J and EOU schemes under FTP 2023	Click here

KEY TAKE AWAY

- Introduction of the new Foreign Trade Policy, 2023
- Introduction of the new Handbook of Procedures, 2023
- Pending MEIS/ SEIS applications to be re-opened and examined on merits/ additional documents
- Exemption from Deposits in ECL
- Phased Implementation of ECL in Customs
- Issuance of "Amnesty Scheme for one-time settlement of default in export obligation"



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