

TO BE PUBLISHED IN THE GAZETTEE OF INDIA EXTRAORDINARY
(PART-I, SECTION-I)

Government of India
Ministry of Commerce and Industry
Department of Commerce
Directorate General of Foreign Trade
Public Notice No.20 /2015-2020
New Delhi: 9th June, 2015

Subject: **Corrigendum** to Public Notice No.16 dated 4th June, 2015 in respect of amendments in Paragraphs 4.38 (viii) (b)&(c) and paragraph 4.42(c) of Hand Book of Procedure

In exercise of powers conferred under paragraph 1.03 of the Foreign Trade Policy, 2015-2020, the Director General of Foreign Trade hereby notifies the corrigendum to Public notice 16 dated 4th June, 2015, amending Paragraphs 4.38(viii)(b)&(c) and 4.42(c) of Handbook of Procedures of FTP 2015-20. These corrections shall be deemed to have come into force with effect from 1st April, 2015.

1. Correction in paragraphs 4.38(viii)(b)&(c)

Corrected paragraphs 4.38(viii)(b)&(c) shall read as under:-

“4.38. Facility of Clubbing of Authorisations

(viii) (b) Where Authorisations are issued with initial obligation period of 18 months and last date of shipment is within 30 months:

In such cases, exports made upto 30 months from the date of issuance of earliest authorization only will be taken into consideration for clubbing. Accounting of exports shall be subject to payment of a composition fee @ 0.5% of FOB value of exports made after 18 months from the date of earliest authorisation but upto 24 months. For the exports effected after 24th month till 30th month from the date of earliest Authorisation, the composition fee will be @ 0.5% **per month** of FOB value of exports made.

(c) Where Authorisation(s) with initial obligation period of 36 months is clubbed with authorization(s) with initial obligation period of 18 months.

In such cases, exports made upto 30 months from the date of issuance of earliest authorization only will be taken into consideration for clubbing. Accounting of exports shall be subject to payment of a

composition fee @ 0.5% of FOB value of exports made after 18 months from the date of earliest authorisation but upto 24 months. For the exports effected after 24th month till 30th month from the date of earliest Authorisation, the composition fee will be @ 0.5% **per month** of FOB value of exports made.

2. Correction in paragraph 4.42 (c)

Corrected paragraph 4.42 (c) shall read as under:-

“4.42. Export Obligation (EO) Period and its Extension

(c) Request for further extension of six months after first extension as in (b) above can be considered by Regional Authority, provided Authorisation holder has fulfilled minimum 50% export obligation in quantity as well as in value, on pro-rata basis. This will be subject to payment of composition fee @ 0.5% per month on unfulfilled FOB value of export obligation. No further extension shall be allowed by Regional Authority. This provision shall also be applicable to Advance Authorisations issued during FTP 2009-2014. However, only two extensions of six months each as given in **sub-para (b)** and in this sub-para can be allowed subject to payment of composition fee and under no circumstance Regional Authority shall allow any extension beyond 12 months from date of expiry of EO period. At the time of filing application for second extension, authorisation holder will have to submit a certificate to RA from an independent Chartered Accountant/Chartered Engineer certifying that unutilised imported/domestically procured inputs are available with the applicant.

Effect of this Public Notice: In case of second extension of authorisation, the composition fee shall be charged @0.5% per month of FOB value of exports made. Accordingly, corrections have been made in Paragraphs 4.38 (viii)(b)&(c) to align the same with paragraph 4.38(viii)(a). Typographical error in paragraph 4.42(c) has been corrected.

[Pravir Kumar]
Director General of Foreign Trade
Email: dgft@nic.in

[Issued from File No.01/94/180/333/AM15/PC4]