

**Government of India
Ministry of Commerce & Industry
Department of Commerce
Directorate General of Foreign Trade
New Delhi**

Policy Circular No. 17 (RE-2008)/2004-2009

Dated 4th July, 2008

Subject : Submission of multiple applications and part payments for claiming deemed export benefits under para 8.3.1 of HBP- Clarification regarding.

Sub paras 8.3.1(ii) and (iv) of HBP V I, inter alia stipulate that claims for deemed export benefits should be filed within a period of twelve months from the date of payment/date of receipt of supplies by project authority. It is also laid down that 100% TED refund may be allowed after 100% supplies have been effected physically and payment received at least up to 90%.

2. It has been pointed out by Trade and industry that in case of project supplies, there are large number of supplies and it will be difficult if only one application within 12 months time is allowed, as is being interpreted by some RAs. Another issue raised is that claims on the basis of part payments are being disallowed by some authorities on the ground that as per PN 102 dated 16.1.08, 100% TED may be allowed after 100% supplies have been made physically and payment received upto 90%,.
3. The issues have been considered. It is seen that sub-paras 8.3.1 (ii) and (iv) of Handbook v1 do not impose restriction on submission of multiple applications. However, to reduce the paper work and ensure proper monitoring, there is necessity to limit the number of applications which an applicant may file within a financial year. Therefore, it is clarified that in respect of all the claims arising for a particular calendar month/quarter (as per option of applicant), a single consolidated application should be filed within the stipulated time period. This may cover claims arising in respect of more than one EPCG licence and /or Invalidation letters/ARO, project supplies etc. Any subsequent application filed later on, in respect of claims arising in the same calendar month/quarter (as per exercised option of applicant) will be treated as supplementary claim for the purpose of applying cut as in para 9.4 of HBP v1.
4. Further, the condition of 100% supplies and 90% payment apply for 100% TED refund. Accordingly, TED reimbursement on prorata or actual basis whichever is less, would be admissible for part payments received, subject to production of documents evidencing payment of TED.

Sd/-
(SANJAY RASTOGI)
Export Commissioner

(File No. 01/92/180/04/AM08/PC-VI)