

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

Policy Circular No. 12 (RE-2007)/2004-2009

Dated 1st October, 2007

Clarification on the facility of Export Promotion Schemes administered by DGFT

As per paragraph 2.40 of FTP related to “Denomination of Export Contracts”, contracts for which payments are received through the Asian Clearing Union [ACU] shall be denominated in ACU Dollar. A doubt has been raised by the Trade and Industry as to whether the benefit of Export Promotion Schemes, including incentive schemes, are available to exporters realizing free foreign exchange in ACU\$.

2. It is clarified that since ACU\$ is equivalent to freely convertible currency as per RBI guidelines, benefits of Export Promotion schemes including the Incentive Schemes, being administered by DGFT, shall be available to the exporters for realisation in ACU\$.

3. This issues with the approval of Competent Authority.

Sd/-

(TAPAN MAZUMDER)

Joint Director General of Foreign Trade

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