



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

Policy Circular No. 44(RE-2005)/2004-09

Dated 10th January, 2006

Online submission of applications

1. DGFT has automated the entire process of issuance and transmission of DEPB licences for shipments effected from 1st October, 2005 from specified 23 EDI ports. The manner of submission of online DEPB applications, issuance and transmission of DEPB licences has been laid down in Policy Circular No. 28 dated 6th October, 2005.

- a. It has now been decided that DEPB shipments made from 10 more EDI Custom ports will be added to the list of EDI ports. The list of EDI Customs ports which will be added for automated exchange of DEPB Shipping Bills with effect from 16th January, 2006 is as follows :

<i>Custom House</i>	<i>Port Code</i>
1 Ballabh Garh, ICD	INFBD6
2 GAPL, Mundra	INMUN1
3 Kandla Custom House	INIXY1
4 Ahmedabad Air Cargo	INAMD4
5 Mulund CFS	INMUL6
6 Bangalore ICD	INWFD6
7 Kakinada Port	INKAK1
8 Hyderabad ICD	INSNF6
9 Pitampur ICD	ININD6
10 Tuticorin ICD	INTUT6

Accordingly the process of online submission of DEPB applications, issuance and transmission of DEPB licences for shipments effected from 16.01.2006 from these EDI ports shall also be governed by Policy Circular No. 28 dated 06.10.2005.

- b. At present, no Export Promotion Shipping Bill is allowed to be filed in the EDI mode at the Raxaul Land Custom Station (Code : INRXL8) and Petrapole Land Custom Station (Code : INPTP8) although they are EDI ports. Therefore, the entry at serial No. 22 and serial No. 23 in Para 2 of Policy Circular No. 28 dated 06.10.2005 is deleted. Raxaul (INRXL8) and Petrapole (INPTP8) will therefore be treated as a non-EDI port for DGFT purposes and applications submitted accordingly.
- c. In exceptional circumstances, EDI Custom ports may allow clearance of manual DEPB Shipping Bills instead of EDI Shipping Bills. For such manual DEPB Shipping Bills, no ECOM application will be entertained and the exporter will necessarily have to submit a manual DEPB application to the concerned Regional Licensing Authority in the Aayaat Niryaat Form along with necessary documents in original and payment of full fee (no fee waiver is to be allowed).

It may be clarified that for DEPB shipments effected from all non-EDI Custom ports, where the proof of export is a manual DEPB Shipping Bill, the exporter will continue to file a ECOM application on DGFT Website : www.dgft.gov.in (with fee waiver, if the application is submitted with digital signature and/or EFT) and the necessary documents in original will need to be submitted to the jurisdictional RLA.

- d. The present policy allows DEPB shipments by a 'third party'. However, since the IEC of the 'third party' is not being captured in the EDI DEPB Shipping Bill, it is not possible to link the EDI DEPB Shipping Bill transmitted by Customs in the DGFT

ECOM module. In all such cases of EDI DEPB Shipping Bills where 'third party' (whose details are available in the EDI DEPB Shipping Bill) wants to claim the DEPB, the 'third party' shall have to submit a manual DEPB application to the concerned Regional Licensing Authority in the Aayaat Niryaat Form along with necessary documents in original and payment of full fee (no fee waiver is to be allowed). No ECOM application shall be entertained in such cases. However, to avoid the possibility of dual claims by the IEC holder (in whose name the Shipping Bill has been generated) and the 'third party', necessary checks are being built in the Central server. RLAs before releasing such claims, must ensure via message exchange from the DGFT Central server, that the original EDI DEPB Shipping Bill (received online through Customs) has been frozen by the Central server for any further claim.

- e. Efforts are being made by DGFT/Customs to streamline the system in a manner that all EDI Shipping Bills are transmitted by the Customs House to the ICEGATE and thereafter to the DGFT server on a regular basis. The exporter can also query the DGFT website by clicking the link 'Shipping Bill received from Customs for an IEC' regarding the status/availability of its Shipping Bills on the DGFT server. In case, the receipt of Shipping Bills has been unduly delayed at the DGFT server (more than 2 weeks from the EGM date has elapsed), the exporter can also, as a measure of abundant caution, request the concerned Deputy Commissioner (EDI) at the EDI Custom port to retransmit the Shipping Bill data to the ICEGATE.

2. To give a further impetus to the online automation process, it has been decided that from 16th January, 2006, all applications for issuance of Advance Licence (excluding Para 4.7 cases), Advance Licence for Annual Requirement and EPCG Licence shall be made on the DGFT Website www.dgft.gov. in only with a digital signature and the licence fee will be submitted through the Electronic Fund Transfer (EFT) mode only. No manual applications or ECOM applications without digital signature and EFT will be accepted. The applicants may take into regard the following while making such applications :

- a. Exporters will not be required to submit a hard copy of such Advance Licence/EPCG applications filed electronically (with digital signature and EFT) on the DGFT Website to the Regional Licensing Authorities.
- b. Exporters will have the option to submit the documents required for processing the Advance/EPCG Licence (as specified under the Foreign Trade Policy/Handbook of Procedures) in paper form at the counter/by post (mentioning the File number generated on the server) within 5 working days of electronic submission of the ECOM application OR submit digitally signed scanned copies of the documents along with the application on the DGFT website. In cases where scanned copies of documents are submitted, manual copies of the documents will not be insisted upon. However Regional Licensing Authorities may, at their discretion, before issuance of an Advance/EPCG Licence, call for such documents as may be required, to satisfy themselves of the correctness/genuineness of the claim as per Foreign Trade Policy and Handbook of Procedures.
- c. At times, the users of the ECOM Module do not fill in the complete list of import and export items in the structured format and mention 'As per list attached' only. Complete data relating to description of goods to be imported/exported shall have to be submitted while making online applications and applications with generic description like 'list of goods attached' etc. will be deemed to be incomplete and rejected.
- d. The exporters while submitting the Advance/EPCG Licence applications through the ECOM module will have to fill in the 8 digit ITC(HS) codes relating to description of goods to be imported/exported and applications with incomplete/missing 8 digit ITC(HS) codes will be deemed to be incomplete and rejected. Exporters are requested to ensure the correctness of the 8 digit ITC(HS) codes before submitting their applications. The 8 digit ITC(HS) codes along with description of goods, as submitted by the applicant in the ECOM application, will be endorsed on the Advance/EPCG Licences and shall be used by the Custom authorities for clearance of goods.
- e. The Advance/EPCG Licences will continue to be issued on security paper and such licences need to be produced at the 'Port of Registration' to enable debiting and imports/exports against these licences. However, data relating to Advance/EPCG Licences with EDI Ports of Registration (31 EDI Custom Ports which have been notified for DEPB purposes) will also be sent to Customs ICEGATE by the DGFT Central server as per agreed message exchange formats with digital signature. The ICEGATE will, after validation of the Advance/EPCG Licences, transmit the licences to the EDI Port of registration for consequential use by the Custom authorities including electronic debiting of Licences.
- f. In case the exporter is desirous of effecting any amendments in the Advance/EPCG Licence including the ITC(HS) codes, description of goods, FOB/CIF value of goods etc. after issuance of the said Licence, the exporter will have to request for a change in writing i.e. in paper form. The Regional Licensing Authority will thereafter amend the said licence accordingly and amendments shall be carried out on the body of the security paper. However for Advance/EPCG Licences, issued for EDI Port

of Registration, the amendments shall be made in the database also and the necessary amendments carried out will be transmitted to the Customs through the DGFT Central server as per agreed message exchange formats with digital signature. It may be mentioned that, the changes effected in the Advance/EPCG Licences with EDI Port of Registration, will not have any sanctity unless the same have been transmitted to the Customs electronically.

- g. i. Since all applications for Advance/EPCG Licences (with effect from 16th January, 2006) have to be made electronically with digital signature and Electronic Fund Transfer on the DGFT website, exporters are requested to file their applications sufficiently well in advance to enable the Regional Licensing Authorities to finalise their claims in time.
- ii. Exporters desirous of exporting their goods, in anticipation of an Advance Licence, may do so as per Policy provisions. However the exporters may, quote the File number generated through the server (and not the ECOM number) while filing the Shipping Bills at the Customs port, for counting of such exports against the Advance Licences to be issued subsequently.

3. At present a single consolidated application is required to be made under Vishesh Krishi Upaj Yojana (VKUY) under ECOM module. At times, this requires keying in data of more than 1000 Shipping Bills. This is not only a tedious and time consuming process for the exporter but also puts considerable strain on the Central server which leads to a delayed and slow response from the server. The download time for such voluminous data at the RLA level also runs into hours and leads to system failure/hang up.

Exporters filing VKUY claims are therefore permitted to file multiple applications relating to applications for exports made for FY 2004-05. Each ECOM application should not have data relating to more than 25 Shipping Bills.

4. i. Trade & Industry may obtain digital certificates (details available on DGFT website www.dgft.gov.in) and open EFT accounts with any of the following i.e. ICICI bank, IDBI bank, UTI bank, HDFC bank, State Bank of India, Bank of India and Punjab National Bank.
- ii. For a faster server response and access, it is necessary that ECOM applications which have been created on the DGFT server but have not been submitted to the jurisdictional Regional Licensing Authority are erased from the DGFT server periodically. It is hereby informed that DGFT server will automatically clean/erase all application data which has not been submitted to the RLAs within 30 days of the generation of the ECOM number.
- iii. 'Help Guidelines' are available on the DGFT Website : www.dgft.gov.in Exporters are advised to go through these guidelines before submitting their licence applications to minimize errors.
- iv. Para 4.40 of the Handbook of Procedures (Vol. 1) allows certain notified ports to be treated as a single port for the purposes of imports and exports. However, the present distributed architecture of the Customs electronic system does not allow import clearances from all the notified ports in the same city. Therefore, the Regional Licensing Authorities will issue all Licences for a single notified Port only along with the unique six digit Location Code of the Customs 'Port of Registration' to facilitate speedy clearances against the licences issued.
- v. As a measure of trade facilitation and to avoid inconvenience to the small exporters, all the Regional Licensing Authorities may assist the exporters in filing their claims through the ECOM modules.

Sd/-

(ANIL AGGARWAL)

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(File No. 01/02/31/AM06/ EDI)