

## **26-02-2009- (Highlights of interim Foreign Trade Policy)**

### **Duty Credit Scrip & DEPB Licence**

- Issuance of Duty Credit Scrip and DEPB Licences without waiting for realization of export proceeds, w.e.f. 1.4.2009

### **Allocation of additional Funds**

- Allocation of Rs. 325 Crores under Promotional Schemes for Textiles & Leather Sectors., w.e.f. 1-4-2009

### **FPS/VKGUY Schemes**

- Extended the benefit of 5% Duty Credit Scrip under FPS for exports of Handmade carpets in lieu of 3.5% allowed earlier under VKGUY Scheme.
- Included Technical Textiles and Stapling machines in the list of products eligible for Duty Credit Scrip under FPS

### **Advance Authorisation Scheme**

- Extended Export Obligation Period for fulfillment of Export Obligation under Advance Authorization, from 24 months to 36 months.
- Permitted supply of intermediate product/s by the domestic producer directly from the factory to the port of shipment against Advance Intermediate Authorization
- Dispensed with the requirement of MODVAT/CENVAT certificate in cases where the Customs Notification itself prescribed for payment of CVD, in respect of Advance Licences issued prior to 01-04-2002.

### **DEPB Scheme**

- Extended the utilization of DEPB Licence/Duty Credit Scrip for payment of duty on import of restricted items also instead of items of free category.

### **EPCG Scheme**

- Permitted reduction in export obligation on pro-rata basis in cases of decline in exports more than 5%, under EPCG Scheme, for the year 2009-2010 (exports during 2008-2009)
- EPCG Authorization/Redemption form ie. ANF 5A & 5B are being simplified.

### **Export Houses**

- Reduced the threshold limit for recognizing Premier Trading Houses from Rs. 10,000 crores in the preceding three years and current year to Rs. 7,500 crores.

### **Towns of Export Excellence**

- Bhilwara in Rajasthan and Surat in Gujarat have been recognized as Towns of Export Excellence for Textiles & Diamonds , respectively.

### **Other Facilitation Measures**

- Re-imburement of Additional Duty of Excise levied on fuel under the Finance Act would also be admissible in respect of EOU's
- Re-credit of 4% SAD, in case of payment of duty by incentive scheme scrips such as VKGUY, FPS and FMS, has now been allowed.
- Simplification of the provision for getting refund of Terminal Excise Duty/Deemed Export Benefits and now exporters can submit a statement certified by Central Excise Authorities in lieu of individual invoices and a monthly statement confirming duty payment in lieu of ER-1/ER-3
- Krishnapatnam seaport included for the purpose of Export Promotion Schemes.
- Electronic Message Transfer facility for Advance Authorization and EPCG Scheme established for shipments from EDI ports w.e.f.01-04-2009.
- Requirement of hard copy of Shipping Bills dispensed with for Export Obligation discharge.