



Exports From India Schemes

SEIS and MEIS Schemes under FTP 2015-2020

Executive Summary

It is quite eminent now that services sector has emerged as a prominent sector in India in terms of its contribution to National and State incomes, trade flows and FDI inflows. The services sector in India has in general grown at a rate higher than the overall GDP growth rate. The share of India's services exports in the world export of services has been increasing faster than the share of India's merchandise exports in world exports.

India has inherent competitiveness and export potential in many skills based and labour intensive services, professional, R&D, Rental/leasing-relating to ship/aircraft and other transport equipment ,Advertising, Market Research and Public opinion polling, Technical testing and Analysis, Management Consulting, Communication, Construction and many more. Further, with the structure of manufacturing in many countries, including India, becoming more and more sophisticated, there is an increasing "servicification" of manufacturing.

As a part of the simplification and merger of reward schemes, Government of India introduced two new schemes namely MEIS and SEIS in the Foreign Trade Policy 2015-2020 (FTP). Under these schemes, Duty Credit Scrips are issued as rewards against eligible exports.



Contents

- Background
- Legal Provisions at a Glance
- Key Amendments
- What Is Duty Credit Scrip?
- About SEIS Scheme
- List of Items not allowed for Import (Appendix- 3E)
- List of services and Rate of Rewards (Appendix- 3D)
- List of services where payment received in Indian rupees to be treated as Deemed Foreign Exchange (Appendix- 3E)
- Important Procedural Aspects of the Scheme
- About MEIS Scheme
- Text of Relevant Provisions of HBP
- Our Comments

Background

- The Government of India introduced two Export Incentive Schemes under the Foreign Trade Policy 2015-2020 (FTP), namely the Merchandise Exports from India Scheme (MEIS) and the Service Exports from India Scheme (SEIS). Under these schemes, Duty Credit Scrips are issued as rewards against eligible exports.
- The intention of SEIS (**Service Exports from India Scheme**) is to provide benefits to all service providers located in India, instead of Indian Service Providers. Earlier, under Served from India Scheme (SFIS) the benefit was not available for foreign brand of the Indian companies. Also in order to give boost to exports from SEZ, the FTP has extended the reward scheme to units located in SEZs.
- Under the SEIS scheme, rewards are calculated on the basis of Net Foreign Exchange earned. A provision was made in the FTP, stating that for certain services, which were to be separately notified (under Appendix 3E to FTP), payment received in Indian Rupees for service charges shall be treated as receipt in deemed foreign exchange as per the guidelines of Reserve Bank of India.
- The **Merchandise Export from India Scheme** (MEIS Scheme) is a newly launched scheme launched as a part of the new Foreign Trade Policy and is applicable from 2015 to 2020. This new scheme replaces the 5 similar incentive schemes available earlier under Foreign Trade Policy 2014-2019 and rationalises the incentives given under these schemes.
- Till now benefit under MEIS was made available on export of specified items to specific countries which were categorised into Group A (Traditional Markets), Group B (Emerging and Focus Markets) and Group C (Other Markets). The countries falling under each group and ITC (HS) code wise list of products with reward rates were specified under Table 1 and Table 2 respectively of Appendix 3B of FTP.
- Under MEIS, the quantum of reward benefits was to be determined as a percentage of the FOB value of the exports. These benefits were made available on export of specified items to specific countries which were categorised in to Group A, Group B and Group C. The countries falling under each group and ITC (HS) code wise list of products with reward rates were specified under Table 1 and Table 2 respectively of Appendix 3B of FTP.

Legal Provisions at a Glance

Sr. No.	Act/Rules/Notification /Circular/Policy/Handbook/ Appendix and annexures	Subject/ explanation
1.	Foreign Trade Policy (Paragraphs 3.07 to 3.19)	Lays down substantive policy provisions of the Scheme.
2.	Handbook of procedure (Paragraphs 3.04 to 3.19)	Provides procedural aspects including timelines to be followed by the exporter for availing benefit under the Scheme.
3.	Relevant Appendices of the Appendices & ANFs	
	Appendix-3A	List of items not allowed for import under Export From India Schemes under Chapter 3, unless otherwise specified.
	Appendix-3D	List of services eligible under Service Export From India Schemes.
	Appendix-3E	List of services where payment has been received in Indian rupees which can be treated as receipt in deemed foreign exchange as per guidelines of RBI

Key amendments

Under SEIS

► DGFT vide Public Notice No.07/2015-2020 has notified the list of services which shall be eligible for benefit under SEIS where payment has been received in Indian Rupees. Such payment shall be treated as receipt in Deemed Foreign Exchange as per guidelines of Reserve Bank of India in terms of Para 3.08(c) of FTP.

The services notified are in the nature of Maritime Transport Services and include rental of vessels with crew, maintenance & repair of vessels, pushing & towing services and supporting services for maritime transport. A detailed list of the services has been provided in Annexure 3E of the said Public Notice.

► SEIS benefit has been extended to identified services provided in a Customs Notified Area to a foreign liner for which payment is made in INR by the Indian Agent out of the amount remittable to overseas principal.

► However services provided in respect of vessel related charges for coastal and inland vessels and cargo related charges in respect of coastal cargo, coastal containers and coastal empty containers have been excluded from the said list.

► These amendments shall be effective for services rendered with effect from 1 April 2015.

Revised rate of reward is applicable for the services rendered on or after 01.11.2017 till 31.03.2018. The list of notified services/rate is subject to review with effect from 01.04.2018.

Under MEIS

► DGFT vide Public Notice No.06/2015-2020, has amended Table 2 [containing ITC (HS) code wise list of product with reward rates] of Appendix 3B by prescribing a single rate of 2% to 5% irrespective of the country of export for items specified in this Public Notice, thereby extending the market coverage of MEIS to all countries.

Prior to this amendment, for 2787 line items out of the 5012 lines listed in Table 2, reward benefits were available only for some country groups and not for all country groups. Thus, landing certificate as a proof of landing was required to claim benefits on such products. Since this country-wise differentiation has now been done away with by extending the market coverage to all countries, landing proofs will no longer be required to claim benefit under the MEIS scheme.

► Further, exports made prior to and after the date of said Public Notice cannot be clubbed in one application for receiving the said incentive. Separate application is required to be filed for the exports made prior to and after the date of issuance of the Public Notice.

► These amendments shall be effective from the date of issuance of the public notice.

The rates of reward under MEIS are increased for certain products. These relate to MSME, agriculture and labour intensive products. The revised rates shall be applicable for exports made effective 1 November 2017 till 30 June 2018.

What is Duty Credit Scrip?

Duty Credit Scrips shall be granted as rewards under MEIS and SEIS. The Duty Credit Scrips and goods imported / domestically procured against them shall be freely transferable. They can be used for:

- (i) Payment of Customs Duties for import of inputs or goods, except items listed in Appendix 3A.
- (ii) Payment of excise duties on domestic procurement of inputs or goods, including capital goods as per DoR notification.
- (iii) Payment of service tax on procurement of services as per DoR notification.
- (iv) Payment of Customs Duty and fee.

*Duty Credit Scrips cannot be used for payment of Integrated tax (IGST) and GST Compensation Cess (if applicable) on import of goods.



SEIS Scheme

Service Export from India Scheme (SEIS) is a new tax credit scheme introduced by Government of India via Foreign Trade Policy 2015-20 (FTP). New policy not only replaces 'Served from India Scheme' (SFIS) available under the Foreign Trade Policy-2009-2014, but it also rationalize the incentives under the erstwhile schemes, removes various kind of restriction of use of scrip issued under the Scheme and significantly enlarges the scope of the earlier scheme.

Objective of the Scheme

Objective of Service Exports from India Scheme (SEIS) is to encourage export of notified Services from India. This Scheme has been announced on 01.04.2015 under the New Foreign Trade Policy- 2015-2020 and further been revised on 05.12.2017 vide notification number 41/2015-20, a service Exports from India Scheme (SEIS) has been announced by the Government of India through Ministry of Commerce & Industry.

About the Scheme

In the new Foreign Trade Policy-2015-20 notified vide Notification No. 01/2015-20 dated 01.04.2015, effective from 01.04.2015 and further been revised on 05.12.2017 vide notification No. 41/2015-20, a service Exports from India Scheme (SEIS) has been announced by the Government of India through Ministry of Commerce & Industry.

New policy not only replaces Served from India Scheme (SFIS) available under the Foreign Trade Policy-2009-2014, but it also rationalize the incentives under the erstwhile schemes, removes various kind of restriction of use of scrip issued under the Scheme and significantly enlarges the scope of the earlier scheme. Unlike earlier Scheme, this scheme has been made applicable to exports by SEZ units also.

SEIS shall apply to "Service Providers located in India" instead of "Indian Service Providers". Thus SEIS provides for rewards to all service providers of notified services, who are providing services from India Scheme, regardless of the constitution or profile of the service provider. The Revised rates of reward are 5% & 7% of net foreign Exchange Earning.

Revised rate of reward is applicable for the services rendered on or after 01.11.2017 till 31.03.2018. The list of notified services/rate is subject to review with effect from 01.04.2018.

**[Net foreign exchange = Gross Foreign exchange earnings by the IEC (Import Export Certificate) holder reduced by total expenses and payments/ remittances. It must be noted that all must be related to service sector in the given financial year.]*

Salient Features of the Scheme at a glance

- Apply to 'Service Providers located in India' instead of 'Indian Service Providers'.
- Provides for rewards to all Service providers of notified services, who are providing exporting services from India, regardless of the constitution or profile of the service provider
- Rate of reward under SEIS are based on net foreign exchange earned.
- Reward issued as duty credit scrip is freely transferable and usable for all types of goods and service tax Debits on procurement of services / goods.
- Debits are eligible for CENVAT credit or drawback.
- Certain specified categories of services are not eligible for benefit under the
- Scrip can be used for payment of (i) Customs Duties for import of inputs or goods, except items listed in Appendix 3A; (ii) Payment of excise duties on domestic procurement of inputs or goods, including capital goods and (iii) Payment of service tax on procurement of services (iv) Payment of Customs Duty and fee as per paragraph 3.18 of this Policy.
- Duty Credit Scrips cannot be used for payment of Integrated tax (IGST) and GST Compensation Cess (if applicable) on import of goods.
- The services and rates of rewards notified are applicable for services export made on or after 01.04.2015.
- The validity period of Duty Credit Scrips is increased to 24 months (from 18 months).



Eligibility Criterion for Reward under the Scheme

- Service Providers of notified services, located in India, eligible for reward under SEIS, subject to conditions as may be notified.
- Only Services rendered in **Mode 1**: Cross Border Trade from India to any other country and **Mode-2**: Consumption abroad Supply of a 'service' from India to service consumer(s) of any other country only are eligible.
- Supply of service through **Mode 3** – Commercial Presence- i.e.- Supply of a 'service' from India through commercial presence in any other country and **Mode 4**- Presence of natural persons i.e. Supply of a 'service' from India through the presence of natural persons in any other country- not eligible for reward under the scheme
- The notified services and rates of rewards are as per Appendix 3D. Revised rate of reward is applicable for the services rendered on or after 01.11.2017 till 31.03.2018. The list of notified services/rate is subject to review with effect from 01.04.2018.
- Minimum net free foreign exchange earnings criterion prescribed is **US\$15,000** in preceding financial year for eligibility under the Scheme.
- For Individual Service Providers and sole proprietorship, such minimum net free foreign exchange earnings criterion is **US\$10,000** in preceding financial year.
- Payment in Indian Rupees for service charges earned on specified services (listed in Appendix 3E) to be treated as receipt in deemed foreign exchange.
- In case of IEC holder being manufacturer of goods as well as service provider, then the foreign exchange earnings and Total expenses / payment / remittances to be taken into account for service sector only.
- To claim reward, Service provider is required to have an active IEC at the time of rendering such services.

Ineligible categories under SEIS

- Supply of service through Mode-3-Commercial Presence and Mode-4 presence of natural persons are not eligible under SEIS.
- Foreign exchange remittances other than those earned for rendering of notified services would not be counted for entitlement.
- Other sources of foreign exchange earnings such as equity or debt participation, donations, receipts of repayment of loans etc. and any other inflow of foreign exchange, unrelated to rendering of service, – not eligible for benefit under the Scheme.
- Following is not to be considered for calculation of entitlement under the scheme

(a) Foreign Exchange remittances:

I. Related to Financial Services Sector

- i. Raising of all types of foreign currency Loans;
- ii. Export proceeds realization of clients;
- iii. Issuance of Foreign Equity through ADRs / GDRs or other similar instruments;
- iv. Issuance of foreign currency Bonds;
- v. Sale of securities and other financial instruments;
- vi. Other receivables not connected with services rendered by financial institutions; and

II Earned through contract/regular employment abroad (e.g. labour remittances);

- i. Payments for services received from EEFC Account;
- ii. Foreign exchange turnover by Healthcare Institutions like equity participation, donations etc.
- iii. Foreign exchange turnover by Educational Institutions like equity participation, donations etc.
- iv. Export turnover relating to services of units operating under SEZ / EOU / EHTP / STPI / BTP Schemes or supplies of services made to such units;
- v. Clubbing of turnover of services rendered by SEZ / EOU / EHTP / STPI / BTP units with turnover of DTA Service Providers;
- vi. Exports of Goods.
- vii. Foreign Exchange earnings for services provided by Airlines, Shipping lines service providers plying from any foreign country X to any foreign country Y routes not touching India at all.
- viii. Service providers in Telecom Sector.

Entitlement under SEIS

Service Providers of eligible services shall be entitled to Duty Credit Scrip at notified rates (as given in Appendix 3D) on net foreign exchange earned.

Revised rate of reward is applicable for the services rendered on or after 01.11.2017 till 31.03.2018. The list of notified services/rate is subject to review with effect from 01.04.2018.

Remittances through Credit Card and other instruments for MEIS and SEIS

Free Foreign Exchange earned through international credit cards and other instruments, as permitted by RBI shall also be taken into account for computation of value of exports.

Effective date of schemes (MEIS and SEIS)

The schemes shall come into force with effect from the date of notification of this Policy, i.e. the rewards under MEIS/SEIS shall be admissible for exports made/services rendered on or after the date of notification of this Policy.



Utilization of Scrip: List of items not allowed for import/or Scrips not be used for payment of Customs duty on specified Items (Appendix 3A)

S. No.	Name of the Product
01	Garlic, Peas and all other Vegetables with a Duty of more than 30% under Chapter 7 of ITC (HS) Classification of Export and Import items.
02	Coconut, Areca Nut, Oranges, Lemon, Fresh Grapes, Apple and Pears and all other fruits with a Duty of more than 30% under Chapter 8 of ITC (HS) Classification of Export and Import items.
03	All Spices with a Duty of more than 30% under Chapter 9 of ITC (HS) Classification of Export and Import items (except Cloves)
04	Tea, Coffee and Pepper as per Chapter 9 of ITC (HS) Classification of Export and Import items.
05	All Oil Seeds under Chapter 12 of ITC (HS) Classification of Export and Import items.
06	Natural Rubber as per Chapter 40 of ITC (HS) Classification of Export and Import items.
07	Capital Goods <ul style="list-style-type: none"> (i) General-purpose agricultural tractors above 25 HP and upto 75 HP. (ii) Stationary Diesel Engines. (iii) Irrigation pumps. (iv) Threshers for cereals. (v) Combine harvesters suitable only for wheat and paddy crops. (vi) Animal driven implements.

List of Services and Rate of Reward (Appendix- 3D)

S.No.	SECTORS	Central product Classification (CPC) Code	Admissible rate in % (on Net Foreign Exchange earnings)	
			01.04.2017 to 31.10.2017	01.11.2017 to 31.03.2018
1	BUSINESS SERVICES			
A.	<u>Professional services</u>			
a.	Legal services	861	5	7
b.	Accounting, auditing and bookkeeping services	862	5	7
c.	Taxation services	863	5	7
d.	Architectural services	8671	5	7
e.	Engineering services	8672	5	7
f.	Integrated engineering service	8673	5	7
g.	Urban planning and landscape architectural services	8674	5	7
h.	Medical and dental services	9312	5	7
i.	Veterinary services	932	5	7
j.	Services provided by midwives, nurses, physiotherapists and paramedical personnel	93191	5	7

List of Services and Rate of Reward (Appendix- 3D)

B.	<u>Research and development services</u>			
a.	R&D services on natural sciences	851	5	7
b.	R&D services on social sciences and humanities	852	5	7
c.	Interdisciplinary R&D services	853	5	7
C.	<u>Rental/leasing services without operators</u>			
a.	Relating to ships	83103	5	7
b.	Relating to aircraft	83104	5	7
c.	Relating to other transport equipment	83101 83102 83105	5	7
d.	Relating to other machinery and equipment	83106-83109	5	7
D.	<u>Other business services</u>			
a.	Advertising services	871	3	5
b.	Market research and public opinion polling services	864	3	5
c.	Management consulting service	865	3	5
d.	Services related to management consulting	866	3	5
e.	Technical testing and analysis services	8676	3	5
f.	Services incidental to agricultural, hunting and forestry	881	3	5
g.	Services incidental to fishing	882	3	5
h.	Services incidental to mining	883 5115	3	5
i.	Services incidental to manufacturing	884- 885	3	5

List of Services and Rate of Reward (Appendix- 3D)

j.	Services incidental to energy distribution	887	3	5
k.	Placement and supply services of personnel	872	3	5
l.	Investigation and security	873	3	5
m.	Related scientific and technical consulting services	8675	3	5
n.	Maintenance and repair of equipment (not including maritime vessels, aircraft or other transport equipment)	633 8861-8866	3	5
o.	Building-cleaning services	874	3	5
p.	Photographic services	875	3	5
q.	Packaging services	876	3	5
r.	Printing, publishing	88442	3	5
s.	Convention services	87909	3	5
2	COMMUNICATION SERVICES			
	<u>Audiovisual services</u>			
a.	Motion picture and video tape production and distribution service	9611	5	7
b.	Motion picture projection service	9612	5	7
c.	Radio and television services	9613	5	7
d.	Radio and television transmission services	9614	5	7
e.	Sound recording	n.a.	5	7

List of Services and Rate of Reward (Appendix- 3D)

3	CONSTRUCTION AND RELATED ENGINEERING SERVICES			
A.	General Construction work for building	512	5	7
B.	General Construction work for Civil Engineering	513	5	7
C.	Installation and assembly work	514- 516	5	7
D.	Building completion and finishing work	517	5	7
4	EDUCATIONAL SERVICES			
A.	Primary education services	921	5	7
B.	Secondary education services	922	5	7
C.	Higher education services	923	5	7
D.	Adult education	924	5	7
5	ENVIRONMENTAL SERVICES			
A.	Sewage services	9401	5	7
B.	Refuse disposal services	9402	5	7
C.	Sanitation and similar services	9403	5	7
6	HEALTH-RELATED AND SOCIAL SERVICES			
A.	Hospital Services	9311	5	7
7	TOURISM AND TRAVEL-RELATED SERVICES			
A.	Hotels and Restaurants (including catering)			
a.	Hotel	641 -643	3	5
b.	Restaurants (including catering)	641-643	3	5
B.	Travel agencies and tour operators services	7471	5	5
C.	Tourist guides services	7472	5	5

List of Services and Rate of Reward (Appendix- 3D)

8	RECREATIONAL,CULTURAL AND SPORTING SERVICES (other than audiovisual services)			
A.	Entertainment services (including theatre, live bands and circus services)	9619	5	7
B.	News agency services	962	5	7
C.	Libraries, archives, museums and other cultural services	963	5	7
D.	Sporting and other recreational services	964	5	7
9	TRANSPORT SERVICES			
A.	<u>Maritime Transport Services</u>			
a.	Passenger transportation*	7211	5	7
b.	Freight transportation*	7212	5	7
c.	Rental of vessels with crew *	7213	5	7
d.	Maintenance and repair of vessels	8868	5	7
e.	Pushing and towing services	7214	5	7
f.	Supporting services for maritime transport	745	5	7
B.	<u>Air transport services</u>			
a.	Rental of aircraft with crew	734	5	7
b.	Maintenance and repair of aircraft	8868	5	7
c.	Airport Operations and ground handling		5	7

List of services where payment received in Indian rupees to be treated as Deemed Foreign Exchange (Appendix- 3E)

Payments which have been received in foreign exchange or which would have been otherwise received in foreign exchange, but paid in Indian Rupees(INR), including through its agents in India out of the amount remittable to the overseas principal, or out of remittances to be sent by the overseas buyer, for services rendered in Customs Notified Areas to a foreign liner (or procured by a foreign entity in case of services included in rental of vessels with crew)as listed below would be considered as deemed to be received in foreign exchange and deemed to be earned in foreign exchange and shall be eligible for issuing rewards under the Services Exports From India Scheme.

However services provided in respect of ‘vessel related charges for coastal and inland vessels’ and ‘cargo related charges’ in respect of coastal cargo, coastal containers and coastal empty containers are to be excluded.

	Transport Services
(A)	Maritime Transport Services.
c	Rental of vessels with crew
	(I) TimeCharter/Voyage Charter/Bare Boat Charter Services.
	(II) Offshore Support Vessel Services
d.	Maintenance & repair of vessels.
	Services provided for ship repair, dry dock and maintenance by ship repair service provider.
e.	Pushing & towing services.
	(I) Pilotage Services.
	(II) Shifting of vessels.
	(III) Warping Services.
	(IV) Charges for detention of pilot.
	(V) Towing Services.
	(VI) Cold movement Services.
	(VII) Pullback tug Services for Single Point Mooring (SPM) operations.
	(VIII) Tug Services.
	(IX) Pilot cancellation Charges.
f.	Supporting services for maritime transport.
	(I) Port dues for entry of vessels.
	(II)Service Charges for Supply of water/fresh water to vessels.
	(III) Berth hire Services.
	(IV) Anchorage Services for stay of vessels at Anchorage.

List of services where payment received in Indian rupees to be treated as Deemed Foreign Exchange (Appendix- 3E)

	(V)Tug hire for miscellaneous services to carry pilots and other crew from and to the shore, supply ship stores etc.
	(VI) Hire of launch for special jobs.
	(VII) Hire of Fire Float / Fire tender
	(VIII) Hire of Diving services.
	(IX) Services for providing pneumatic fender (including to and fro transportation of fenders at Dock/ Oil Jetties/ Barge Jetties/ IWAI Jetty/ Any other Jetty or Anchorage point)
	(X) Supply of skilled man-power for marine services.
	(XI) Pilot attendance Services at SPM.
	(XII) Reefer Container Charges.
	(XIII) Storage Services, shutout charges.
	(XIV) Terminal Handling Services.
	(XV) Stevedoring Services.
	(XVI) Cargo Dispatch Services.
	(XVII) Cargo Storage Services.
	(XVIII) Bunker Supply Services.
	(XIX) Garbage Collection Services.
	(XX) Slop Collection/ Disposal Services.
	(XXI) Tank Washing Services.
	(XXII) Internal Transportation Services.
	(XXIII) Warehousing Services.
	(XXIV) Inter-carting Services.
	(XXV) Packing Services.
	(XXVI) Survey & Inspection Services
	(XXVII) Barge Charges
	(XXVIII) Ship chandling Services
	(XXIX) Shore Crane Hire Services

List of services where payment received in Indian rupees to be treated as Deemed Foreign Exchange (Appendix- 3E)

	(XXX) Equipment Hire Services viz Forklift, Excavator, Payloader, Reach Stacker, Empty Handler, Hydra, Screening Net, Gangway, Grab, Hydra Cranes, Generator, Power supply, etc.
	(XXXI) Gangway hire Services
	(XXXII) Security Services for providing security guards
	(XXXIII) Cargo consolidation charges for export cargo
	(XXXIV) Dispatch Services
	(XXXV) Handling Services not specified elsewhere.
	(XXXVI) Phytosanitary Services
	(XXXVII) Lighterage Charges
	(XXXVIII) Gas freeing certificate charges
	(XXXIX) Shifting and Weighment Services
	(XL) Wagon Handling Services
	(XLI) Grab transportation Services
	(XLII) Hot work Permit Services
	(XLIII) Refloating Services.
	(XLIV) Cargo Brokering charges for export cargo
(B)	Air Transport Services
(C)	Ground Handling

Important Procedural Aspects of the Scheme

Filing of Application

- An application for grant of duty credit scrip for eligible services rendered shall be filed online for a financial year on annual basis in ANF 3B using digital signature.
- RA to process the application received online after due scrutiny

Risk Management System

(a) A Risk Management System shall be in operation whereby every month Computer system in DGFT Headquarters, on random basis, will select 10% of cases for each RA where scrips have already been issued, under each scheme. RA in turn may call for original documents in all such selected cases for further examination in detail. In case any discrepancy and/ or over claim is found on such examination, the applicant shall be under obligation to rectify such discrepancy and/or refund over claim in cash with interest at the rate prescribed under section 28 AA of the Customs Act 1962, from the date of issue of scrip in the relevant Head of Account of Customs within one month. The original holder of scrip, however, may refund such over claim by surrendering the same scrip whether partially utilized or fully unutilized, without interest.

(b) Regional Authority may ask for original proof of landing certificate, annexures attached to ANFs or any other document, which has been uploaded digitally at any time within three years from the date of issue of scrip. Failure to submit such documents in original would make applicant liable to refund the reward granted along with interest at the rate prescribed under section 28 AA of the Customs Act 1962, from the date of issuance of scrip. It would be the responsibility of applicant to maintain such documents, certificate etc. for a period of at least three years from the date of issuance of scrips.

CENVAT/Drawback: - Additional Customs duty/excise duty/Service Tax paid in cash or through debit under Duty Credit scrip shall be adjusted as CENVAT Credit or Duty Drawback as per DoR rules or notifications. Basic Custom duty paid in cash or through debit under Duty Credit scrip shall be adjusted for Duty Drawback as per DoR rules or notifications.

Important Procedural Aspects of the Scheme

Transitional Arrangement(Ref: Para 3.05 of HBP)

- Up to 30.06.2015, applicants in respect of exports on which SEIS are claimed has following choices:-
 - To file applications in the manner prescribed in the previous policy(ies) Service Exports from India Scheme
 - To file application under new procedure prescribed (under HBP 2015-2020 for SEIS)
- From 1.7.2015, all applications to be submitted under new procedure only.

Determination of Jurisdictional Officer of Regional Authority of DGFT (Ref: Paragraph 3.06 of HBP)

- Applicant to have option to choose Jurisdictional RA on the basis of Corporate Office/ Registered Office/Head Office/ Branch Office address endorsed on IEC for submitting application/ applications.
- Option need to be exercised at the beginning of financial year.
- Once an option is exercised, no change would be allowed for claims relating to that

Port of Registration under SEIS (Ref: Paragraph 3.08 of HBP)

- In case of scrip applied under SEIS, the applicant can choose any port as port of registration and mention it in the application at the appropriate column.
- RA will issue the scrip with such port of registration.
- Such Duty credit scrip needs to be registered at the port of registration of duty Once registered at EDI port, scrip can be automatically be used at any EDI port for import and at any manual port under Telegraphic Release Advise (TRA) procedure.
- In case port of registration is a manual port, TRA shall be required for imports at any other port.

Last date of filing of application for Duty Credit Scrips (Ref: Para3.15 of HBP)

- 12 months from the end of relevant financial year of claim period.
- Late cut cut : - In case of delay in filing of application you may file with some late cut.

Delay	Late Cut
After expiry of last date but within 6 months	2% of entitlement
After expiry of 6 months from last date but up to 12 month	5 % of entitlement
After expiry of 12 months from last date but on or before the end of 2 years	10 % of entitlement

Important Procedural Aspects of the Scheme

Validity period and Revalidation (Ref.: Paragraph 3.13 of HBP)

- Duty Credit Scrip to be valid for a period of 24 months from the date of issue and must be valid on the date on which actual debit of duty is made.
- Revalidation of Duty Credit Scrip shall not be permitted unless validity has expired while in custody of Customs Authority / RA.

Facility for Split Scrips (Ref: Paragraph 3.09 of the HBP)

- On request, split certificates of Duty Credit Scrip subject to a minimum of Rs. 5 Lakh each and multiples thereof may also be issued, at the time of application
- After issuance, splits certificates permitted with same port of registration as appearing on the original Scrip- in respect of EDI enabled ports.
- The facility of splits not allowed after issue of Scrip- in case of export through non-EDI ports.

Procedure to upload documents by Chartered Accountant/Company Secretary/Cost Accountant(Ref.: Paragraph 3.10 of HBP)

- Some of the Annexures attached to ANF-3B, ANF-3C and ANF-3D- are required to be signed by these Chartered Accountant / Company Secretary / Cost Accountant signatories.
- E -procedure being developed to upload digitally signed documents by the above said signatories.

- Till such time, such annexures attached to ANF-3B, ANF-3C, ANF-3D would continue to be submitted in physical form to RA.
- After creation of such facility, Exporter will be required to link digitally uploaded annexure with his online applications.



Merchandise Exports from India Scheme (MEIS) as per Import Export Policy 2015-20 (FTP 2015-20)

The Merchandise Export from India Scheme (MEIS Scheme) is a newly launched scheme launched as a part of the new Foreign Trade Policy and is applicable from 2015 to 2020.

The Government of India has brought in the Merchandise Exports Incentive Scheme (MEIS), replacing five other similar incentive schemes present in the earlier Foreign Trade Policy 2009-14. Under the MEIS Scheme, the Govt. has allocated more than 22,000 crore per annum for exports.

The schemes that have been replaced by the MEIS scheme include:

- Focus Product Scheme (FPS)
- Focus Market Scheme (FMS)
- Market Linked Focus Product Scheme (MLFPS)
- Agriculture Infrastructure Incentive scheme (AIIS)
- Vishesh Krishi Gramin Upaj Yojna (VKGUY)

As per the present FTP, the MEIS scheme does not aim to merely replace these five schemes but also aims to rationalize the incentives and enlarges their scopes by removing various restrictions.

The Objective of the MEIS Scheme

To offset infrastructural inefficiencies and the associated costs of exporting products produced in India giving special emphasis on those which are of India's export interest and have the capability to generate employment and enhance India's competitiveness in the world market.

More About the Scheme

With the aim in making India's products more competitive in the global markets, the scheme provides incentive in the form of duty credit scrip to the exporter to compensate for his loss on payment of duties. The incentive is paid as percentage of the realized FOB value (in free foreign exchange) for notified goods going to notified markets. To determine the quantity of incentive, the countries have been segregated into three groups. Incentives on export of each product at 8-digit level (ITC HS codes), depend on the group in which its destination country belong.

There are essentially three country groups. Group A has India's traditional destinations such as the EU countries and USA. Group B has the maximum number of countries and covers almost all of India's major export destinations globally. It is worth mentioning here that Group B has the highest quantum of incentive. Group C on the other hand has no incentive at all. It can be divided into, SAARC, Australia and New Zealand, some EU and African countries.

Merchandise Exports from India Scheme (MEIS) as per Import Export Policy 2015-20 (FTP 2015-20)

Revision of MEIS scheme

The first schedule of the MEIS consisting of the definition of the country groups and the incentives on the 8-digit product lines was published along with the Foreign Trade Policy 2015-20 in April, 2015. However, after repeated representations from various industry associations and export promotion councils including us on the inadequacy of the incentives, the DGFT came out with a new schedule vide Public Notice No. 06 /2015-2020 published on 4th May, 2016. While the country groups have remained same in the new schedule, there has been a re-orientation of the incentive rates and in general the incentive basket has broadened. We have studied both the earlier schedule and the new one. The key changes include:

- Additions of some product lines (at 8 digits) to the list of beneficiaries under MEIS. For instance, products coming in the category of the medical and scientific instruments have been included in the MEIS schedule and incentives have been given for all three groups.
- Amendment in the incentive rates for some product lines already included in the schedule. Here the most important change has been the grant of incentives to Group A countries for some product lines. This has obviously contributed towards expansion of the incentive market and has addressed one of our concerns.

Entitlement under MEIS

Under the MEIS Scheme, certain rewards and incentives are given to exporters. Such incentives are given to exporters at a specified rate which varies from product to product and from country to country.

The incentives are given at a specified rate on the FoB value and would be on the lower of the following:-

- Realised FOB value of exports in free foreign exchange, or
- The FoB value of exports as given in the Shipping Bill in free foreign exchange, whichever is less,

The incentives and rewards given under this scheme vary from Product to Product and from Country to Country. The countries for which the incentives are allowed are divided into 3 categories namely:-

- **Category A:** Traditional Markets (30) – European Union (28), USA, Canada
- **Category B:** Emerging & Focus Markets (139) – Africa (55), Latin America & Mexico (45), CIS Countries (12), Turkey & Western Asian Countries (13), ASEAN Countries (10), Japan, South Korea, China, Taiwan
- **Category C** – Other Markets (70)

The percentage of rewards varies from product to product and are in the range of 2% to 5% for most items. The detailed list of rewards on each product export has been mentioned in this file – <http://dgft.gov.in/exim/2000/dn/ftpdnl/MEISApp3BTable2.pdf>

Duty Credit Scrip issued under MEIS Scheme

The incentives awarded to exporters under this scheme are issued in the form of Duty Credit Scrips. These Duty Credit Scrips are freely transferable and can be used for the payment of Customs Duty.

In case the holder of such Duty Credit Scrips wishes to sell these scrips, he can easily sell them to anyone as these scrips are freely transferable.

Free Foreign Exchange earned through international credit cards and other instruments, as permitted by RBI shall also be taken into account for computation of value of exports under MEIS.

Last date of Filing application of Duty Credit Scrips

Application for obtaining Duty Credit Scrips under MEIS shall be filed within a period of:-

- 12 months from the Let Export Order (LEO) date, or
- 3 months from the date of:
 - Uploading of EDI Shipping Bills onto the DGFT Server by Customs
 - Printing/ Release of Shipping Bills for Non-EDI Shipping Bills (whichever is later)

Validity Period and Revalidation of Scrips

- Duty Credit Scrip to be valid for a period of 24 months from the date of issue and must be valid on the date on the date on which actual debit of duty is made.
- Revalidation of Duty Credit Scrip shall not be permitted unless the validity has expired while in the custody of Customs Authority/ RA.

Facility for Splitting of Scrips

- Duty Credit Scrips shall be issued on request subject to a minimum of Rs. 5 Lakh each and multiples thereof may also be issued at the time of application.
- In case of EDI enabled ports, Split certificates shall be permitted with the same port of Registration as appearing on the original scrip after issuance.
- In case of export through non-EDI Ports, Facility of split not allowed after issue of Scrip.



Commodities for which such incentives under MEIS are awarded

The commodities for which such incentives under the MEIS Scheme are awarded are classified into various different product groups based on the following:-

1. Highest Rewards for Agricultural and Village industry products: Value added and packages products; Eco-friendly and green products; Labour Intensive Products and Products with large no. of producers and/or exporters, Industrial Products from potential winning sectors and Hitech products

2. First time support provided for export of Fruits, Vegetables, Dairy Products, Oil Meals, Ayush & Herbal Products, Paper, Paper Board Products.

3. Global support provided to Fruits, Flowers, Vegetables, Tea, Coffee, Spices; Cereals

Preparation, Shellac, Essential Oils, Processed Foods, Eco Friendly Products that add value to waste; Marine Products; Handloom, Coir, Jute Products and Technical Textiles, Carpets Handmade; Other Textiles and Readymade Garments supported in the market in the European Union, USA, Canada and Japan; Handicraft, Sports Goods and Furniture, wood articles;

4. Support to major markets given to Pharmaceuticals, Herbals, Surgicals; Industrial Machinery, IC Engine, Machine Tools, Parts, Auto Components/ Parts; Hand Tools, Pumps of all types; automobiles, two-wheelers, bicycles, ships, planes, chemicals, plastics, rubber, ceramic and glass, Leather Garments, Saddlery Items, Footwear, Steel Furniture, Prefabs, Lighters, Wood, Paper, Stationary; Iron, Steel and Base Metals, Products

Procedure for filing Application under MEIS Scheme

- Application for claiming incentives under the MEIS Scheme shall be filed online in the specified format i.e. ANF-3A using Digital Signature.
- The application for export of goods shall be filed with the concerned Regional Authority of DGFT on DGFT Website.
- Separate application shall be filed for each port of export.
- An application can be filed with upto a maximum of 50 shipping bills
- In case of exports through the EDI Port – the hard copy of the application, shipping bill, e-BRC and RCMC are not required to be submitted. However, the proof of landing is required to be submitted.
- Relevant EDI shipping bill and e-BRC to be linked with the online application.
- In case of exports through non-EDI port, the hard copy of the export promotion copy of non-EDI shipping bills and proof of landing in the prescribed manner is required to be submitted. But the hard copies of applications to DGFT, electronic bank realisation certificate (e-BRC) and RCMC is not required to be submitted. Scanned copies of any other prescribed documents for claiming scrip are required to be submitted.
- The documents which are not required to be submitted (in original), are required to be retained by the applicant for a period of 3 years from the date of issuance of scrip. The licensing authority may call for such documents in original at any time within 3 years.

- In case of failure to submit the original documents when demanded by the licensing authority, the rewards granted are required to be refunded along with interest.
- No manual feeding is allowed for EDI Shipments to the applicants in the online system.
- “Let Export Date” to be taken as the relevant date for determination of eligibility of product, corresponding ITC (HS) code, and markets for claiming rewards under MEIS.

The above procedure is to be followed for claiming incentives under the MEIS Scheme in all cases except in case of export of goods through e-commerce. The procedure for claiming incentives for export through e-commerce has been discussed below.

Procedure for claiming incentives under MEIS for export through e-commerce

In case of export of goods through courier or foreign post office using e-commerce, incentives under this scheme are awarded for FOB Value upto Rs. 25,000 per consignment. In case the FOB Value is more than Rs. 25,000, the rewards are limited on value limited to Rs. 25,000 only.

The following procedure is to be followed for claiming incentives under the MEIS scheme for export of Goods through Courier or Foreign Post Office using e-commerce:-

- Application to be filed online using Digital Signature in Form ANF-3D
- For proof of landing, the exporter may submit express operator landing certificate/ online web tracking print out indicating airway bill no.
- Separate application to be filed for each port of export
- The submitted documents shall be examined manually by the RA before grant of scrip.



Determination of Jurisdictional Officer of DGFT

- The applicant shall have the option to choose the Jurisdictional RA on the basis of Corporate Office/ Registered Office/ Head Office/ Branch Office address endorsed on the IEC for submitting the application.
- Option need to be exercised at the beginning of the financial year
- Once an option is exercised, no change would be allowed for claims relating to that year.

Re-export of Defective/ Unfit Goods

- Goods exported which are found defective or unfit for use, may be re-exported, as per DoR guidelines.
- In case the Duty Credit Scrip has been used for Imports, the Customs shall issue a certificate containing the particulars of scrips used, date of import of re-exported goods and the amount debited while importing such goods.
- Based on this certificate, upon application, a fresh scrip shall be issued by concerned RA to the extent of 98% of debited amount, with the same port of registration and valid for a period equivalent to balance period available on date of import of the defective/ unfit goods.

Risk management System for checking Authenticity

The policy relating to Risk Management System is given in Paragraph 3.19 of FTP. The Risk Management System shall be in operation as under:-

- a) Computer System in DGFT HQ, on random basis, will select 10% of cases for each RA which has issued scrips in the preceding month by 10th of the month.
- b) The list of such selected cases will be sent to concerned RA by NIC by 15th of the month.
- c) Concerned RA, will in turn, ask for the original documents by 30th of the month for examination in detail.
- d) The applicant shall be under obligation to submit the document asked for in the next 15 days.
- e) Concerned RA in turn will examine such documents in next 15 days. In cases, there is any deficiency the applicant shall rectify it in next one month from the date of communication by RA. In case of excess avilment of rewards, the applicant shall refund the excess claim with interest as prescribed in paragraph 3.19 of FTP.
- f) In case the applicant fails to submit the original documents/ rectify the deficiencies / refund the excess claim as stipulated above, RA will initiate action as per FTDR Act and Rules.

Other salient features of MEIS scheme

1. FOB Value means the price of goods at the time of loading at the domestic port and do not include loading, shipment and insurance costs.

2. SEZ units and EOU/ STP/ BTP/ EHTP units not availing Direct Tax Exemption also are also eligible to claim benefit under this scheme.

3. There is no conditionality attached to these Duty Credit Scrips.

4. The exporter shall mention the following declaration on all categories of Shipping Bills in order to be eligible for claiming rewards under MEIS – *“We intent to claim rewards under*

Merchandise Exports from India Scheme (MEIS)”

5. The Free foreign exchange earned through International Credit Cards and other Instruments as permitted by RBI shall also be taken into account for computation of value of exports.

6. The requirement of submission of landing certificate has been removed vide public notice 6-2015-2020 dated 4th May 2016.

7. The rates of reward under MEIS are increased for certain products. These relate to MSME, agriculture and labour intensive products. The revised rates shall be applicable for exports made effective 1 November 2017 till 30 June 2018.

Ineligible categories under MEIS

The following exports categories /sectors shall be ineligible for Duty Credit Scrip entitlement under MEIS

- i. EOUs / EHTPs / BTPs/ STPs who are availing direct tax benefits / exemption.
- ii. Supplies made from DTA units to SEZ units
- iii. Export of imported goods covered under paragraph 2.46 of FTP
- iv. Exports through trans-shipment, meaning thereby exports that are originating in third country but transshipped through India;
- v. Deemed Exports;
- vi. SEZ/EOU/EHTP/BPT/FTWZ products exported through DTA units;
- vii. Items which are restricted or prohibited for export under Schedule-2 of Export Policy in ITC (HS), unless specifically notified in Appendix 3B.
- viii. Service Export.
- ix. Red sanders and beach sand.
- x. export products which are subject to Minimum export price or export duty.
- xi. MEIS not available for diamond Gold, Silver, Platinum, other precious metal in any form including plain and studded jewellery and other precious and semi-precious stones.
- xii. ores and concentrates of all types and in all formations.
- xiii. cereals of all types.
- xiv. sugar of all types and all forms.
- xv. crude / petroleum oil and crude / primary and base products of all types and all formulations.
- xvi. export of milk and milk products.
- xvii. export of Meat and Meat Products.
- xviii. products wherein precious metal/diamond are used or Articles which are studded with precious stones.
- xix. exports made by units in FTWZ.

Other salient features of MEIS scheme

Special Provisions

- a) Government reserves the right in public interest, to specify export products or services or markets, which shall not be eligible for computation of entitlement of duty credit
- b) Government reserves the right to impose restriction / change the rate/ ceiling on Duty Credit Scrip under this chapter.
- c) Government may also notify goods in Appendix 3A which shall not be allowed for debiting through Duty Credit Scrips in case of import.
- d) Government may prescribe value cap of any kind for a product(s) or limit total reward per IEC holder under this chapter at any time.

Common Provisions for Exports from India Schemes (MEIS and SEIS)

CENVAT/ Drawback

Additional Customs duty/excise duty/Service Tax paid in cash or through debit under Duty Credit scrip shall be adjusted as CENVAT Credit or Duty Drawback as per DoR rules or notifications. Basic Custom duty paid in cash or through debit under Duty Credit scrip shall be adjusted for Duty Drawback as per DoR rules or notifications.

Import under lease financing

Utilization of Duty Credit Scrip shall be permitted for payment of duty in case of import of capital goods under lease financing in terms of provision in paragraph 2.34 of FTP.



Transfer of export performance

- a) Transfer of export performance from one IEC holder to another IEC holder shall not be permitted. Thus, a shipping bill containing name of applicant shall be counted in export performance / turnover of applicant only if export proceeds from overseas are realized in applicant's bank account and this shall be evidenced from e – BRC / FIRC.
- b) However, MEIS, rewards can be claimed either by the supporting manufacturer (along with disclaimer from the company / firm who has realized the foreign exchange directly from overseas) or by the company/ firm who has realized the foreign exchange directly from overseas.

Facility of payment of custom duties in case of E.O. defaults and fee through duty credit scrips

- a) Duty Credit Scrip can be utilised / debited for payment of Custom Duties in case of EO defaults for Authorizations issued under Chapters 4 and 5 of this Policy. Such utilization /usage shall be in respect of those goods which are permitted to be imported under the respective reward schemes. However, penalty / interest shall be required to be paid in cash.
- b) Duty credit scrips can also be used for payment of composition fee under FTP, for payment of application fee under FTP, if any and for payment of value shortfall in EO under para 4.49 of HBP 2015-20.

Text of Relevant Provisions of HBP

Service Exports From India Scheme (SEIS)

- a) Policy for Service Exports From India Scheme (SEIS) is given in Chapter 3 of FTP.
- b) An application for grant of duty credit scrip for eligible services rendered shall be filed online for a financial year on annual basis in ANF 3B using digital signature.
- c) RA shall process the application received online after due scrutiny.

Common Procedural features applicable to MEIS and SEIS, unless specifically provided for

Transitional Arrangement

- a) For the goods exported or services rendered upto the date of notification of current Foreign Trade Policy, which were otherwise eligible for issuance of scrip under erstwhile chapter 3 of the earlier Foreign Trade Policy (ies) and scrip is applied on or after the date of notification of current Foreign Trade Policy against such export of goods or services rendered, the application shall be made to Jurisdictional RA in the form with documents as prescribed in the HBP v I 2009-2014.
- b) Upto 30th June 2015, applicants in respect of exports on which FPS/MLFPS /FMS/ VKGUY/ SFIS are claimed, shall have a choice to file applications in the manner prescribed in the previous policy (ies) or in the manner given in paragraph 3.01 or paragraph 3.04, as applicable, of HBP 2015-20. From 1st July 2015, all such applications shall be submitted in the manner given in paragraph 3.01 or paragraph 3.04, as applicable, of HBP 2015-20 only.
- c) Applicants shall continue to file application in respect of SHIS, IEIS and Agri Infrastructure incentive scheme scrip in the application form and manner prescribed in the previous³³ policy (ies).

Jurisdictional RA / RA Concerned

- Applicant shall have option to choose Jurisdictional RA on the basis of Corporate Office/ Registered Office/Head Office/ Branch Office address endorsed on IEC for submitting application/applications under MEIS and SEIS.
- This option need to be exercised at the beginning of financial year.
- Once an option is exercised, no change would be allowed for claims relating to that year. To illustrate, if an exporter has chosen RA Chennai for claiming rewards for exports made in 2015-16, then all claims for exports made in 2015-16, irrespective of the date of application shall be made to RA Chennai only.

Port of Registration of Scrips

(a) Port of Registration under MEIS would be as follows:

- i. Duty Credit Scrip (including splits) under MEIS shall be issued with a single port of registration which shall be the port of export.
- ii. Duty credit scrip needs to be registered at the port of exports. This is to be done prior to allowing usage of duty credit. Once registered at EDI port, scrip can be automatically used at any EDI port for import and at any manual port under Telegraphic Release Advise (TRA) procedure.
- iii. In case port of registration is a manual port, TRA shall be required for imports at any other port.

(b) In case of scrip applied under Service Exports from India Scheme, the applicant can choose any port as port of registration and mention it in the application at the appropriate column. RA will issue the scrip with such port of registration. Such Duty credit scrip needs to be registered at the port of registration of duty credit. Once registered at EDI port, scrip can be automatically be used at any EDI port for import and at any manual port under Telegraphic Release Advise (TRA) procedure. In case port of registration is a manual port, TRA shall be required for imports at any other port.

Procedure to upload documents by Chartered Accountant / Company Secretary / Cost Accountant

- a) In order to move towards paperless processing of reward schemes, an electronic procedure is being developed to upload digitally signed documents by Chartered Accountant/Company Secretary/Cost Accountant. Such documents like annexure attached to ANF-3B, ANF-3C and ANF-3D, which are at present signed by these signatories, can be facilitated by this procedure.
- b) Till such time it is made mandatory to upload these annexure digitally, such annexures attached to ANF 3B, ANF3C, ANF3D would continue to be submitted in physical form to
- c) Exporter shall link digitally uploaded annexure with his online applications after creation of such facility.

Import from private / public Bonded warehouses

Entitlement can be used for import from private / public bonded warehouses subject to fulfillment of paragraph 2.36 of FTP and terms and conditions of DoR notification.

Declaration of Intent on shipping bills for claiming rewards under MEIS including export of goods through courier or foreign post offices using e-Commerce

- a) Export shipments filed under all categories of the Shipping Bills would need the following declaration on the Shipping Bills in order to be eligible for claiming rewards under MEIS: "We intend to claim rewards under Merchandise Exports From India Scheme (MEIS)"^G Such declaration shall be required even for export shipments under any of the schemes of Chapter 4 (including drawback), Chapter 5 or Chapter 6 of FTP. In the case of shipping bills (other than free shipping bills), such declaration of intent shall be mandatory with effect from 1st June 2015.
- b) Whenever there is a decision during the financial year to include any new product/goods or new markets then to avail such rewards:
 - i. For exports of such products/goods, to such markets, a grace period of one month from the date of notification/public notice will be allowed for making this declaration of intent.
 - ii. After the grace period of one month, all exports (of such products/goods or to such markets) would have to include the declaration of intent on all categories of shipping bills.

- (iii) For exports made prior to date of notification/public notice of products/markets, such a declaration would not be required since such exports would have already taken place.

Last date of filing of application for Duty Credit Scrips

- (a) Application for obtaining Duty Credit Scrip under MEIS shall be filed within a period of :
 - i. Twelve months from the Let Export (LEO) date or,
 - ii. Three months from the date of :
 - (1) Uploading of EDI shipping bills onto the DGFT server by Customs.
 - (2) Printing/ release of shipping bills for Non- EDI shipping bills.
 whichever is later, in respect of shipments for which claim is being filed.

- (b) For SEIS, the last date for filing application shall be 12 months from the end of relevant financial year of claim period.

Application for Shipments from EDI Ports and Non-EDI Ports under MEIS

- a) Shipments from EDI Ports and Non-EDI Ports cannot be clubbed in one application.
- b) Port of registration for EDI enabled ports shall be the port of export. Accordingly separate application shall be filed for each EDI port.
- c) In case of exports through non-EDI port, the port of registration shall be the relevant non EDI port of exports. Accordingly separate application shall be filed for each non EDI port.
- d) Multiple applications can be filed and supplementary cut shall not be applicable. However, an application can be filed with upto a maximum of 50 shipping bills. 35

Our Comments

Through the revised FTP, the Government has addressed the challenges faced by exporters due to the GST rollout, by introducing various measures to reduce cash flow and procedural burden and thereby facilitating ease of doing business.

The extension of 24x7 Customs clearance facility for all types of bills of entry, without payment of additional Merchant Overtime Charges, is appreciated.

The new self-ratification scheme for duty-free import of raw materials and the extension of the validity period of Duty Credit Scrips from 18 to 24 months will help in mitigating the concerns of the exporters of critical products and enhance its utility in the GST framework.

The move to create a logistics division for integrated development of the logistics sector is also likely to positively impact exports by reducing transaction costs and improving product movement efficiencies.



Our Offices in India

New Delhi:

S-13, St. Soldier Tower, G-Block Commercial Complex, Vikas Puri, New Delhi – 110018 (India)

Phone : +91 11 28543739
: +91 11 28544939
: +91 11 45527239
Fax : +91 11 43850030

Mumbai:

Unit No.3, 1st Floor, New Laxmi Shopping Centre, A-Wing, H.D.Road, Ghatkopar (W), Mumbai – 400086 (India)

Phone : + 91 98202-63544
: + 91 22-25110016

E-mail : info@neerajbhagat.com
Web site : www.neerajbhagat.com

Gurgaon:

1156, Tower B2, 11th Floor, Spaze I Tech Park, Sohna Road, Sector 49, Gurgaon-122001, Haryana (India)

Phone : +91 124 4371317
: +91 124 4371318
Fax : +91 11 43850030

Neeraj Bhagat & Company is a team of distinguished **chartered accountant**, corporate financial advisors and **tax consultants in India**. Our firm of chartered accountants represents a coalition of specialized skills that is geared to offer sound financial solutions and advices. The organization is a congregation of professionally qualified and experienced persons who are committed to add value and optimize the benefits accruing to clients.

We are prominent Chartered Accountants in India. We offer services of accounts outsourcing, auditing, company formation in India, Business taxation, corporate compliance, starting business in India, registration of foreign companies, transfer pricing, tax due diligence, taxation of expatriates etc.

Neeraj Bhagat is a member of the Institute of Chartered Accountants of India (ICAI) since 1997. He is also an Associate member of Association of International Accountants, United Kingdom. He is founder of Neeraj Bhagat & Co, an Indian Chartered Accountancy firm serving various MNC'S from across the globe. Neeraj Bhagat & Co. has its offices at New Delhi, Gurgaon and Mumbai. They are part of Allinial Global Accounting Association which is one of the World's Top 10 in accounting associations.