

## CHAPTER 3

### EXPORTS FROM INDIA SCHEMES

HBP as on 14.11.2022

#### 3.01 Merchandise Exports From India Scheme (MEIS)

- (a) Policy for Merchandise Exports from India Scheme (MEIS) is given in Chapter 3 of FTP.
- (b) An application for claiming rewards under MEIS on exports (other than Export of goods through courier or foreign post offices using e-Commerce), shall be filed online, using digital signature, on DGFT website at <http://dgft.gov.in> with RA concerned in ANF 3A. The relevant shipping bills and e BRC shall be linked with the online application.

However, if

i. E-BRC has been generated in ANR and payment is under Para 2.52(b) of the FTP, a letter from the concerned bank is required to be submitted to the concerned RA confirming that the payment has been received through Vostro Mechanism.

Or

ii. The shipment has been made to countries which are in OFAC list and e BRC could not be generated by the concerned bank, a declaration to that effect by the exporter along with a self attested copy of the proof of payment such as Foreign Inward Remittance Certificates / Statements etc is required to be submitted to the RA.

The RAs would process the application under (i) and (ii) above, after the required documents are submitted in hard copy of the RAs.<sup>i</sup>

- (c) If application is filed for exports made through EDI ports including SEZ exports<sup>ii</sup>, then the RAs shall not ask for any physical documents except under the provisions of para 3.01 (h) below and

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therefore hard copy of the following documents need not be submitted to RA: hard copy of applications to DGFT, EDI/SEZ shipping bills, electronic Bank Realisation Certificate(e-BRC) and RCMC. The applicant shall submit the proof of landing in the manner prescribed under paragraph 3.03 of HBP.

- (d) In case application is filed for exports made through non EDI ports (other than SEZs)<sup>i</sup>, then applicant need to submit export promotion copy of non EDI shipping bills. The applicant shall submit the proof of landing in the manner prescribed under paragraph 3.03 of HBP. The applicant shall upload scanned copies of any other prescribed documents for claiming scrip unless specified otherwise. However applicant need not submit hard copy of applications to DGFT, electronic Bank Realisation Certificate (e-BRC) and RCMC in this case also.
- (e) Applicant shall file separate application for each port of export in case of Non EDI Shipping bills. In case of EDI shipping bills, the applicant can file a single application containing shipping bills of different EDI ports. Accordingly shipments from different EDI ports will not require separate applications
- (f) Processing of Non EDI Shipping bills at RA: In cases the Non EDI shipping bills or the shipping bills not received through the Message Exchange from Customs, concerned RA shall verify the details entered by the exporter from the original shipping bills before grant of scrip.
- (g) No manual feeding allowed for EDI shipments: For EDI Shipping Bill, no manual feeding of Shipping bill details shall be allowed to the applicants in the online system. Rewards will be granted by RAs without the need for cross verifying EDI Shipping Bill details.

RA shall process the electronically acknowledged files and scrip shall be issued after due scrutiny of electronic documents. After scrutiny, if the officer has reasonable suspicion of wrong classification/ mis-declaration in any application, in such cases officer may, after approval of his senior officer/ Head of the Office, seek physical documents for scrutiny. On receipt of such documents, the officer must decide the

claim within 7 working days. In cases, where the claim is rejected, a speaking order shall be issued.

- (i) The documents which are not required to be submitted in original, shall be retained by the applicant for a period of 3 years from the date of issuance of scrip or as prescribed under FTP para 3.19 (b).
- (j) Licensing Authority may call such documents in original at any time within 3 years. In case the applicant fails to submit the original documents on demand by Licensing Authority the applicant shall be liable to refund the rewards granted along with interest at the rate prescribed under Section 28AA of Customs Act 1962 from the date of issuance of scrip.
- (k) Eligibility of product, corresponding ITC[HS] code, and markets (as given in Appendix 3B) for claiming rewards under MEIS shall be determined from Let Export Date as per paragraph 9.12 of HBP.
- (l) The excess / undue claims paid to the exporters under MEIS, for exports with Let Export date between the period 07.03.2019 to 31.12.2019, relating to apparel and made-ups (chapter 61,62 and 63) will be suitably adjusted against RoSCTL and recoveries made, wherever due.<sup>iii</sup>

### **3.02 Applications for Export of goods through courier or foreign post offices using e-Commerce**

- (a) Application shall be filed online, using digital signature, in ANF3D by exporter. The applicant shall submit the proof of landing in the manner prescribed under paragraph 3.03 of HBP.
- (b) Applicant shall file separate application for each port of export.
- (c) RA will manually examine the submitted documents before grant of scrip.

### 3.03 Proof of Landing

- (a) Wherever the reward under MEIS is available to all countries, proof of landing shall not be required to be submitted for claiming the reward.
- (b) Uploading / submission of documents, as a proof of landing:

As a measure of ease of doing business, documents as a proof of landing of export consignment in notified market can be digitally uploaded in the following manner:-

- (i) Any exporter may upload the scanned copy of document as mentioned at paragraph 3.03(c)(i) under his digital signature.
  - (ii) Status holders falling in the category of Three Star, Four Star or Five Star export house category may upload scanned copies of documents as mentioned at paragraph 3.03(c) (iv).
  - (iii) In all other cases the physical copy, in original, shall be filed by all categories of exporters.
- (c) Applicant shall be required to submit or upload, as the case may be, anyone of the following documents as a proof of landing of export consignment in notified Market:
- (i) A self attested copy of import bill of entry filed by importer in specified market, or
  - (ii) Delivery order issued by port authorities, or
  - (iii) Arrival notice issued by goods carrier, or
  - (iv) Tracking report from the goods carrier (Shipping Line/Airline etc. Or his accredited agent in India) duly certified by them, evidencing arrival of export cargo to destination Market, or

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- (v) For Land locked notified Market, Rail/Lorry receipts of transportation of goods from Port to Land locked notified Market,
- (vi) Any other document that may satisfactorily prove to RA concerned that goods have landed in/ reached the notified Market.
- (d) In case of (iv) and (vi) above, the accredited agent of the Goods Carrier must certify that he is the accredited agent of the concerned Goods Carrier on the date of issuance of the tracking report/ document.
- (e) Further, in the case of issuance of any other document under (vi) above, the accredited agent must state that proof of landing of goods in relevant notified Market is given based on information available in the Goods Carrier's backup database and he has verified the same and issued this document accordingly.
- (f) In cases of exports using e-commerce, exporter may submit express operator landing certificate/online web tracking printout indicating airway bill number as prescribed in enclosure (B) to ANF 3D.

### 3.04 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:**

### 3.05 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 erst while 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 VI 2009-2014.
- (b) Deleted.
- (c) Applicants shall continue to file applications in respect of FPS/MLFPS/FMS/VKGUY/SFIS/SHIS/IEIS and Agri Infrastructure Incentive Scheme Scrip in the application form and manner prescribed in the corresponding Hand Book of Procedures

### 3.06 Jurisdictional RA / RA Concerned

- (a) 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.

- (b) Jurisdiction for MEIS

1	2	3
Sl No	Units	Jurisdictional RA
(i)	Importer Exporter	Jurisdictional RA of DGFT as in

	Code (IEC) Holders having units in DTAs/ EHTPs/ BTPs/ STPs or more than one of these	Appendix 1A
(ii)	IEC Holders having units in SEZs/EOUs or both	Respective Development Commissioner of Special Economic Zones (SEZs) as in Appendix 1A
(iii)	IEC Holders having units both in (i) and (ii) above	Units located in category (i) and (ii) will apply to respective jurisdictions at Col -3

(c) Jurisdiction for SEIS (Single Application on Annual Basis)

1	2	3
Sl No	Units	Jurisdictional RA
(i)	Importer Exporter Code (IEC) Holders having units only in DTAs	Jurisdictional RA of DGFT as in Appendix 1A
(ii)	IEC Holders having units only in SEZs	Respective Development Commissioner of Special Economic Zones (SEZs) as in Appendix 1A
(iii)	IEC Holders having units in Multiple SEZs	Single application for all units to the Development Commissioner of the SEZ where it has achieved highest Forex Earnings
(iv)	IEC Holders having units both in DTA and SEZs	Single Application for all different units to the Jurisdictional RA of DGFT as given in Appendix 1A

### 3.07 Applicability of Provisions contained in Chapter 2 and 9 of this HBP

Provisions contained in Chapter 2 and 9 of this HBP shall apply to MEIS and SEIS.

### 3.08 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 any one of the EDI ports from where export is made. In case of shipments from Non EDI ports, the 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.
- (iv) SEZs being non-EDI Ports, the scrip shall be registered at the SEZ port and in case the scrip holder intends to use the scrip for import from another port, the concerned DC shall issue Telegraphic Release Advise (TRA).

(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.

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In case port of registration is a manual port, TRA shall be required for imports at any other port.

- (C) However, for all MEIS/SEIS scrips issued on or after 10.04.2019 (except for MEIS/SEIS issued with port of registrations as one of the Non EDI or SEZ ports), Telegraphic Release Advice (TRA) facility from EDI ports to non EDI ports and SEZ ports would not be available.

### **3.09 Facility for Split Scrips**

- (a) 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.
- (b) Once Duty Credit Scrip has been issued, request for splits can be permitted with same port of registration as appearing on the original Scrip. The above procedure shall be applicable only in respect of EDI enabled ports.
- (c) In case of export through non-EDI ports, the facility of splits shall not be allowed after issue of scrip.

### **3.10 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 annexure attached to ANF 3B, ANF 3C, ANF 3D would continue to be submitted in physical form to RA.

(c) Exporter shall link digitally uploaded annexure with his online applications after creation of such facility.

### **3.11 Import from private / public Bonded ware houses**

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

### **3.12 Re-export of defective / unfit goods**

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

### **3.13 Validity period and Revalidation**

Duty Credit Scrip issued on or after 01.01.2016 under chapter 3 shall 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 covered under paragraph 2.20(c) of HBP.

However, Duty Credit Scrips issued between 01.03.2018 and 30.06.2018 shall be valid till 30.09.2020.<sup>v</sup>

### **3.14 Procedure for Declaration of Intent on EDI and Non EDI shipping bills for claiming rewards under MEIS including export of goods through courier or foreign post offices using e-Commerce**

(a)

(i) EDI Shipping Bills: Marking/ ticking of "Y" (for Yes) in "Reward" column of shipping bills against each item, which is mandatory, would be sufficient to declare intent to claim rewards under the scheme. In case the exporter does not intend to claim the benefit of reward under Chapter 3 of FTP exporter shall tick "N" (for No). Such marking/ticking shall be required even for export shipments under any of the schemes of Chapter 4 (including drawback), Chapter 5 or Chapter 6 of FTP.

(ii) Non-EDI Shipping Bills: In the case of non-EDI Shipping Bills, Export shipments 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)". 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.

(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 intention 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.

### 3.15 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 on to 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.

However with respect to para 3.15 (a)(i) above, for the shipping bills where the Let Export (LEO) date falls during the period 01.02.2019 to 31.05.2019, applications may be filed within a period of 15 months instead of 12 months.<sup>vi</sup>

“Further, MEIS applications for shipping bills with Let Export date from 01.04.2019 to 31.03.2020 can be submitted without any late cut upto 28.02.2022. However any such application submitted after 30.09.2021, the last date of submitting applications shall be as per para 3.15(a) (i) above and late cut applied accordingly.”<sup>vii</sup>

- (b) For SEIS, the last date for filing application shall be 12 months from the end of relevant financial year of claim period. However, the last date for filing SEIS applications for FY 18-19 shall be 31.12.2020.<sup>viii</sup>

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### **3.16 Application for Shipments from EDI Port sand 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 any one of the ports from where export is made.
- (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.

### **3.17 Risk Management System**

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 and on the basis of guidelines issued by DGFT from time to time, will select 10% of cases for each RA which has issued scrips/ status holder certificates in the preceding month by 10<sup>th</sup> of every month.
- (b) The list of such selected cases will be sent to concerned RA by NIC by 15<sup>th</sup> of the month.
- (c) Concerned RA, will in turn, ask for the original/ physical documents by 30<sup>th</sup> 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 availment 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 required original documents/rectify the deficiencies/refund the excess claim as stipulated above or does not respond to any communication regarding the Risk Management System within 15 days of receipt of such communication, RA will initiate action as per FTDR Act and Rules.

### 3.18 Status Certificate

Policy for Status Holders is given in Chapter 3 of FTP

### 3.19 Application for grant of Status Certificate

- (a) Status Certificates issued under FTP 2009-14 to an IEC holder shall remain valid till 30th September, 2015 or till the issuance of status certificate to such IEC holder under FTP 2015-20, whichever is earlier.
- (b) Applicants shall be required to file an application online for recognition of status under the Policy in ANF 3C. Scanned copy of relevant prescribed documents shall be uploaded by the applicant unless prescribed otherwise.
- (c) Online Application for status certificate shall be filed using digital signature with jurisdictional RA / Development Commissioner (DC) by Registered Office in the case of Company and by Head Office in the case of others as indicated in table below:

S.No.	Category	Issuing/renewing Authority for Status Certificate
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1.	IEC holder having exports of DTA unit as well as exports of SEZ/EOU unit. EHTP/STP/BTP	Concerned Regional Authority as per jurisdiction indicated in Appendix A
2.	IEC holder having SEZ/EOU unit only	Concerned Development Commissioner as per jurisdiction indicated in Appendix 1A
3.	IEC holder having DTA Unit only	Concerned Regional Authority as per jurisdiction indicated in Appendix 1A

### 3.20 Validity of status certificate

- (a) Status Certificates issued under this FTP shall be valid for a period of 5 years from the date on which application for recognition was filed or 31.03.2023, whichever is later.<sup>ix</sup>
- (b) Status Certificates valid beyond 31.3.2020 shall continue to remain in force, in case provisions of subsequent Foreign Trade Policy continue to recognize the status.

### 3.21 Maintenance of Accounts

Status Holders shall maintain true and proper accounts of its exports and imports based on which such recognition has been granted. Records shall be maintained for a period of two years from the date of grant of status certificate. These accounts shall be made available for inspection to RA concerned or any Authority nominated by DGFT.

### 3.22 Refusal /Suspension/Cancellation of Certificate

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Status Certificate may be refused/suspended/cancelled by RA concerned, if status holder or authorized representative acting on his behalf:

- (a) Fails to discharge export obligation imposed;
- (b) Tampers with Authorisations;
- (c) Misrepresents or has been a party to any corrupt or fraudulent practice in obtaining any Authorisation;
- (d) Commits a breach of FT(D&R) Act, or Rules, Orders made there under and FTP, The Customs Act 1962, The Central Excise Act 1944, FEMA Act 1999 and COFEPOSA Act 1974; or
- (e) Fails to furnish information required by this Directorate.

A reasonable opportunity shall be given to Status Holder before taking any action under this paragraph.

### **3.23 Appeal**

An applicant, who is not satisfied with decision taken to suspend or cancel Status Certificate, may file an appeal to DGFT within 45 days. Decision of DGFT shall be final and binding thereon.

### **3.24 No Incentive Certificate under MEIS<sup>x</sup>**

- a) Wherever an exporter requires a certificate to the effect that No incentive under MEIS has been taken for shipment(s) which is being re-imported, the exporter will submit a request in the specified format , ANF 3E- “Application for No Incentive certificate” to the concerned Regional Authority (RA) as per para 3.06 (a) of the HBP 2015-20.
- b) The following procedure will be followed at the concerned Regional Authority while issuing the No Incentive Certificate, in the specified format Appendix 3F.



- i. Wherever, MEIS has been utilized by the applicant for the relevant shipping bill(s), the applicant is required to refund the proportionate amount along with interest at the rate prescribed under the section 28AA of the Customs Act, in the relevant Head of Account of Customs. On receipt of proof of payment, the RA would issue the certificate.
- ii. Wherever, MEIS has been issued to the applicant for the relevant shipping bill (s) but the MEIS scrip has not been utilised, the applicant should surrender the MEIS scrip to the RA. The RA would then issue the certificate and simultaneously inform the NIC to block the relevant shipping bill(s).
- iii. Wherever, MEIS has not been applied for or MEIS has been applied for but no scrip has been issued, the RA would issue the certificate in the specified format, on the basis of the undertaking submitted in the application and simultaneously inform the NIC to block the relevant shipping bill(s).

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<sup>i</sup> Amended vide Public Notice 08/2015-20 Dated 01.05.2019

<sup>ii</sup> Amended vide Public notice 67/2015-20 Dated 22.03.2018

<sup>iii</sup> Inserted vide Public Notice 58 dated 29.01.2020

<sup>iv</sup> New Para inserted vide Public Notice 8/2015-20 Dated 03.04.2019

<sup>v</sup> Amended vide Public Notice 08/2015-20 Dated 01.06.2020

<sup>vi</sup> Amended vide Public Notice 67/2015-20 Dated 31.03.2020

<sup>vii</sup> Para Inserted vide Public Notice 53/15-20 Dated 09.04.2021 **and later amended vide Notification No. 53 Dated 01.02.2022**

<sup>viii</sup> Amended vide Public Notice 67/2015-20 Dated 31.03.2020

<sup>ix</sup> Amended vide Public Notice 26/2015-20 Dated 29.09.2022 and **as proposed in extension till 31.03.2023**

<sup>x</sup> Para inserted vide Public Notice 17/2015-20 Dated 03.07.2018

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