

HIGHLIGHTS OF ANNUAL SUPPLEMENT OF [FTP 2009-2014](#)

(Announced on 23rd August, 2010)

Chapter Number / Source	Particulars	Foreign Trade Policy 2009-2014	Annual Supplement 2010-2011
3.5 of FTP & Appendix 7 of HBPv1	Towns of Export Excellence (TEE)	<i>Towns of Export Excellence:</i> There were 12 Towns of Export Excellence for various products.	<i>Additional Towns of Export Excellence:</i> <ul style="list-style-type: none"> • Barmer – for Handicrafts • Bhiwandi – for Textiles • Agra – for Leather Products
3.12 of FTP	Served from India Scheme (SFIS)	Utilization of Duty Credit scrip earned was not allowed for payment of duty in case of import of vehicles, even if such vehicles were freely importable under ITC (HS).	Now the Scrips issued under Served from India Scheme (SFIS) can be used for payment of duty on import of Vehicles, which are in the nature of professional equipment.
3.13.4 of FTP	Agri. Infrastructure Incentive Scrip	This benefit is subject to actual user condition and hence not transferable. However, free transferability amongst Status Holders was allowed for import of Cold Chain Equipment.	Free transferability has been extended to Units in the Food Parks (the term 'Units' shall not include Developers).
3.16.1 of FTP & 3.16.4 of FTP	Status Holders Incentive Scrip (SHIS)	<ul style="list-style-type: none"> • Status Holders were entitled to incentive scrip @1% of FOB value of exports made during 2009- 10 and during 2010-11.The scheme was valid for two years i.e. upto 31.03.2011 <ul style="list-style-type: none"> • <i>Eligible Sectors:</i> <ul style="list-style-type: none"> - Leather Sector (excluding finished leather) - Textiles and Jute Sector - Handicrafts, 	<ul style="list-style-type: none"> • The scheme has been further extended upto 31.3.2012. <ul style="list-style-type: none"> • <i>New Additions:</i> <ul style="list-style-type: none"> - Chemical & allied products - Paper - Paperboard & articles thereof

		<p>Engineering Sector (excluding Iron & Steel, Nonferrous Metals in primary or intermediate forms), Automobiles & two wheelers, nuclear reactors & parts and Ships, Boats and Floating Structures)</p> <ul style="list-style-type: none"> - Plastics - Basic Chemicals (excluding Pharma Products) have been included. 	<ul style="list-style-type: none"> - Ceramic products - Refractories - Glass & glassware - Rubber & articles thereof - Plywood & allied products - Electronics products - Sports goods & toys - Additional engineering products
4.1.10 of FTP	Advance Authorisation for Annual Requirement	Issue of Advance Authorisation for Annual Requirement.	Advance Authorisation for Annual Requirement exempts from anti-dumping duty and safeguard duty.
4.3 of FTP	Duty Entitlement Passbook (DEPB) Scheme	The scheme was valid upto 31.12.2010	The scheme has been extended for further period upto 30.06.2011.
4.7 of HBPv1	Self Declared Authorisations where SION does not exist	In the absence of SION, RA may also issue Advance Authorisations on self declaration basis on the basis of Chartered Engineer Certificate amongst various other documents.	Chartered Engineer Certificate dispensed with for Advance Authorisation on Self declaration basis.
4.20 of HBPv1	Facility of Clubbing	Clubbing facility was available only for redemption / regularisation of cases and no further import or export was allowed. For this facility, authorisations were required to have been issued under similar Customs notification even pertaining to different financial years. However, clubbing of Advance Authorisation with different customs notification was allowed in case of Authorisations issued in 2004-09 period and thereafter.	Advance Authorisation for annual requirement can also be clubbed with the Advance Authorisation.

5.1 of FTP	Zero Duty EPCG Scheme	<ul style="list-style-type: none"> Valid upto 31.03.2011 Eligible Sectors: Engineering products, electronic products, basic chemicals and pharmaceuticals, apparel and textiles, plastics, handicrafts, chemicals and allied products and leather and leather products. 	<ul style="list-style-type: none"> Extended upto 31.03.2012 New additions: paper & paper board and articles thereof, ceramic products, refractory's, glass & glassware, rubber & articles, Plywood and allied products, marine products, sports goods and toys and additional engineering products.
Customs Notification no.102/2007	Availability of 4% SAD refund benefit	Benefit was available only to trader importers.	Benefit has been extended to manufacturers who sell the imported items like traders.

Procedural Simplification and Reduction of Transaction Cost:

- High value EPCG authorisation can file their EPCG application on Annual basis, without the need to file the application for individual capital goods from time to time.
- To benefit the exporters for smooth clearance of consignments, a single customs notification for the two variants of Advance Authorization scheme i.e. for physical exports & deemed exports shall be issued. Notification is awaited.

Electronic Data Interface (EDI) Initiatives:

- To reduce the transaction cost and time, 'e-RCMC' initiative has been commenced. Under this, the Export Promotion Councils would upload the RCMC data of their members on DGFT's website only once, thus reducing the procedural burden of repeated submissions and associated cost and time.
- Facility of data preparation module for Advance Authorization and Export Promotion Capital Good (EPCG) has been provided on an offline mode, which would reduce the need of continuous online interaction for long and address the connectivity and server response issues significantly.
- In order to provide wider choice to the users and enlarge access for online filing, additional licenced certifying authorities for digital signatures and banks for

electronic fund transfer (EFT) operations have been included in the EDI operations.

- The online message exchange for Annual Advance Authorization and Duty Free Import Authorization (DFIA) will be operational with Customs w.e.f. 1.12.2010.

Other initiatives

Additional benefit of 2% / 5% under Focus Product Scheme (FPS) shall be allowed for about 135 existing products to help them recover from recession in exports.

Beneficiary sectors include:

- Leather sector
- Handloom sector
- Textiles sector
- Gems & Jewellery sector
- Handicraft sector
- Agriculture & plantation
- Engineering & Electronics
- Toys & Sports goods

 **Analysis by
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