

CHAPTER-3

PROMOTIONAL MEASURES

Status Certificates	3.1	The Policy relating to the status holder is given in Chapter- 3 of the Policy.
Application for Grant/ Renewal Of Status	3.2	For grant/renewal of any status, the application shall be filed before 1 st March. The application for Export House, Trading House, Star Trading House and Super Star Trading House shall be filed in Appendix-17. The application for Service Export House, International Service Export House, International Star Service Export House, International Super Star Service Export House status shall be filed in Appendix-17A.
	3.2.1	Application for grant of certificate for Export House/ Trading House/ Service Export House/International Service Export House shall be filed with the concerned regional licensing authority headed by Jt.DGFT. However application for grant of certificate for Star Trading House, Super Star Trading House, International Star Service Export House, International Super Star Service Export House shall be filed with the Director General of Foreign Trade.
	3.2.2	Such application shall be made by the registered office in the case of a company and head office in case of others.
Maintenance of Accounts	3.3	The certificate holder shall maintain true and proper accounts of its exports and imports based on which such recognition has been granted and the exports and imports made during the validity period of such recognition certificate. The record shall be maintained for a minimum period of three years from the expiry of the validity of such certificate. These accounts shall be made available for inspection to the licensing authority or any authority nominated by the Director General of Foreign Trade.
Refusal/ Suspension/ Cancellation of Certificate	3.4	The recognition certificate may be refused or suspended or cancelled by the authority which is competent to issue/renew such certificate, if the certificate holder/ applicant or any agent or employee acting on his behalf: (a) fails to discharge the export obligation imposed; (b) tampers with licences; (c) misrepresents or has been a party to any corrupt or fraudulent practice in obtaining any licence; (d) commits a breach of the Foreign Trade (Development and Regulation) Act, 1992, or the Rules and Orders made thereunder; or (e) fails to furnish the information required by the Director General of Foreign Trade or any person or authority authorised by him.
	3.4.1	A reasonable opportunity shall be given to the applicant or the certificate holder before taking any action under this paragraph.
Appeal	3.5	An applicant who is not satisfied with the decision taken to suspend or cancel the certificate, may file an appeal to the Export House Committee in the Directorate General of Foreign Trade within 45 days of the date of the said decision. The decision of the Committee shall be final.

Export Promotion Council	3.6	The general policy relating to the Export Promotion Councils is given in Chapter-4 of the Policy. A list of Export Promotion Councils/ Commodity Board is given in Appendix- 27.
	3.7	The major functions of the EPCs are:- <ul style="list-style-type: none"> To provide commercially useful information and assistance to their members in developing and increasing their exports; To offer professional advice to their members in areas such as technology upgradation, quality and design improvement, standards and specifications, product development, innovation etc; To organise visits of delegations of its members abroad to explore overseas market opportunities; To organise participation in trade fairs, exhibitions and buyer-seller meets in India and abroad; To promote interaction between the exporting community and the Government both at the Central and State levels; and To build a statistical base and provide data on the exports and imports of the country, exports and imports of their members, as well as other relevant international trade data.
Non-profit, Autonomous and Professional Bodies	3.8	The EPCs are non-profit organisations registered under the Companies Act or the Societies Registration Act, as the case may be.
	3.9	The EPCs shall be autonomous and regulate their own affairs. However, if the Central Government frames uniform bylaws for the constitution and/or for the transaction of business for EPCs, they shall adopt the same with such modifications as Central Government may approve having regard to the special nature or functioning of such EPC. The EPCs shall not be required to obtain the approval of the Central Government for participation in trade fairs, exhibitions etc. and for sending sales teams/delegations abroad. The Ministry of Commerce and Industry/ Ministry of Textiles of the Government of India, as the case may be, would interact with the Managing Committee of the Council concerned, twice a year, once for approving their annual plans and budget and again for a mid-year appraisal and review of their performance.
	3.10	In order to give a boost and impetus to exports, it is imperative that the EPCs function as professional bodies. For this purpose, executives with a professional background in commerce, management and international marketing and having experience in government and industry should be brought into the EPCs.
Government support	3.11	The EPCs may be provided financial assistance by the Central Government.
Authorities Issuing RCMC	3.12	An exporter desiring to obtain a Registration-cum- Membership Certificate (RCMC) shall declare his main line of business in the application which shall be made to the Export Promotion Council (EPC) relating to that line of business. However, a status holder has the option to obtain RCMC from Federation of Indian Exporters Organisation (FIEO). The service exporters (except software service exporters) shall be required to obtain RCMC from FIEO.

	3.12.1	In addition, an exporter has the option to obtain an RCMC from FIEO or any other EPC, if the products exported by him relate to those EPC's. If the export product is such that it is not covered by any EPC, RCMC in respect thereof may be issued by FIEO.
Registration cum-Membership	3.12.2	An exporter may, on application given in Appendix-4, register and become a member of an Export Promotion Council. On being admitted to membership, the applicant shall be granted forthwith Registration-cum-Membership Certificate (RCMC) of the EPC concerned, in the format given in Appendix-4A subject to such terms and conditions as may be specified in this behalf. In case an exporter desires to get registration as a manufacturer exporter, he shall furnish evidence to that effect.
		Prospective/potential exporters may also, on application, register and become an associate member of an export promotion council.
Validity Period Of RCMC	3.12.3	The RCMC shall be deemed to be valid from 1 st April of the licensing year in which it was issued and shall be valid for five years ending 31 st March of the licensing year, unless otherwise specified.
Intimation Regarding Change In Constitution	3.12.4	In case of change in ownership, constitution, name or address of an exporter, it shall be obligatory on the part of RCMC holder to intimate such change to the registering authority within a period of one month from the date of such change. The registering authority, however, may condone delays on merits.
Furnishing Of Returns	3.13	The exporter shall furnish quarterly returns/ details of his exports of different commodities to the concerned registering authority. This will be in addition to any other returns as may be prescribed by the registering authority. However, status holders shall also send monthly returns to FIEO in the format specified by FIEO.
De-Registration	3.14	The registering authority may de-register an RCMC holder for a specified period for violation of the conditions of registration. Before such de-registration, the RCMC holder shall be given a show cause notice by the registering authority, and an adequate and reasonable opportunity to make a representation against the proposed de-registration. Upon de-registration, the concerned export promotion council shall intimate the same to all the licensing authorities.
Appeal Against De-Registration	3.15	A person aggrieved by a decision of the registering authority in respect of any matter connected with the issue of RCMC may prefer an appeal to the Director General of Foreign Trade or an officer designated in this behalf within 45 days against the said decision and the decision of the appellate authority shall be final.
Directives Of DGFT	3.16	The Director General of Foreign Trade may direct any registering authority to register or de- register an exporter or otherwise issue such other directions to them consistent with and in order to implement the provisions of the Act, the Rules and Orders made thereunder, the Policy or this Handbook.
Electronic Data Interchange	3.17	With a view to reducing transaction time and costs in obtaining licences/permission/certificate from the DGFT, electronic filing and electronic processing of licence application has been introduced.
Eligibility	3.17.1	The facility of electronic filing of applications shall be available to all exporters.

Procedure

3.17.2 Under this scheme, an exporter would be able to file his application on the DGFT website at <http://www.nic.in/eximpol>. The application will then be downloaded by the concerned licensing authority and processed in accordance with the prevalent rules and regulations. Deficiency, if any, shall be communicated online to the applicant. The applicant will have to visit the concerned office to hand-over the hard copy of the application alongwith the requisite documents including the application fee. The licence shall be issued on receipt of the hard copies of the documents as mentioned above after due scrutiny as prescribed in this Book.

Benefits

3.17.3 The facility will reduce unnecessary physical interface with DGFT. It will be also enable faster processing, speedier communication of deficiencies, if any, and on-line availability of application processing status.

3.17.4 Licence issued electronically shall be transmitted to the Customs through EDI Mode. This shall also obviate the need for physical verification of licences before allowing clearance as the verification will be done electronically by the Customs.