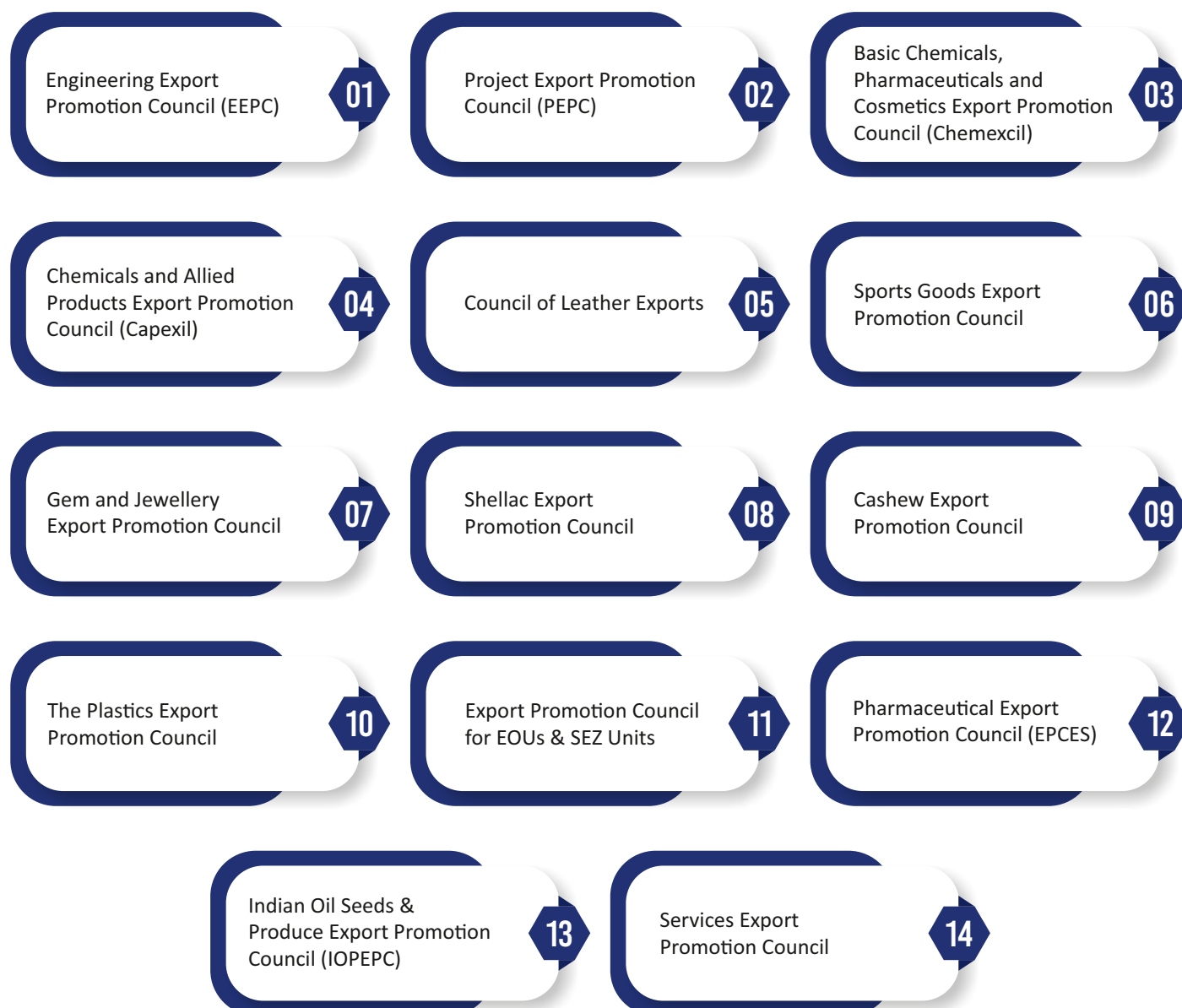


## EPC and FTP Benefits

### Export Promotion Council

Export Promotion Councils (EPCs) are Government initiated authorities that promote, boost and support entities in the business of export to develop their overseas trade and presence by providing technical and industry insights. Presently, there are 14 Export Promotion Councils under the administrative control of the Department of Commerce.

#### List of Export Promotion Councils



## Benefits of Registration under Export Promotion Council

1. To avail Export Import advantages or concessions as per Foreign Trade Policy (FTP)
2. To meet prospective buyers by participating in events conducted by different EPCs
3. To receive the advice related to Technology, Quality Control, Standards and specifications
4. To be eligible for Special relief provided by Government to the Merchant Exporters under GST for purchasing Goods from domestic suppliers @ 0.1% IGST and 0.05% CGST 0.05% SGST for making further Export

### Foreign Trade Policy- 2015-20 (applicable Till 30<sup>th</sup> September, 2021)

Foreign Trade Policy is a set of guidelines for import as well export of goods and services. These are established by DGFT for promotion and facilitation of exports and imports under the Ministry of Commerce and Industry.

#### Export Import advantages or concessions as per FTP:

1. Range of export incentives are available with different eligibility criteria as per 2 schemes-
  - Remission of Duties and Taxes on Exported Products (RoDTP): To refund the embedded duties suffered in export of goods
  - Service Export from India Scheme (SEIS): Service providers of notified services will be eligible for rewards in the form of duty scrips at certain % on net foreign exchange earned
2. Credit scrips earned are transferable and can be used for payment of import duties
3. Import of Capital Goods for pre- production, production and post production at zero customs duty under Export promotion Capital Goods scheme (EPCG)
4. Range of different Duty Exemption or Remission schemes are available as follows-
  - Advance Authorization (AA): Duty free import of inputs, physically incorporated in export product with minimum 15% value addition. No IGST, Transition Product Specific Safeguard Duty and Countervailing Duty will be charged. AA is generally issued to manufacturer exporter or merchant exporter
  - Duty Free Import Authorization (DFIA): Exports can be made from a single port only and regional authority shall issue transferable DFIA valid for 12 months only without further revalidation. Only Basic Customs Duty is exempted on import of inputs and minimum 20% value addition is required
  - Duty Drawback Scheme: Products made by duty paid inputs are first exported and thereafter refund of duty is claimed
  - EOU/ EHTP/ STP & BTP schemes: Units undertaking to export their entire production, may be set up under this schemes for import/ procurement domestically without payment of duties
  - Status Holder Scheme: On achieving prescribed export performance, status recognition as One, Two, Three, Four and Five star export house is accorded. Such status holders are eligible for various non fiscal privileges as prescribed in FTP.

### Merchant Exports Under GST

Merchant Export is a commonly used term in foreign trade. This is a method of export trading. Any person engaged in the activity of merchant export is merchant exporter. Merchant Exporters do not have their own manufacturing unit in India but they buy goods from other manufacturers and export them to foreign customers. As merchant exporter is located in India and place of supply is outside India, it is mandatory for them to get registered under GST.

#### GST Procedure

Procedure of export has been simplified under GST Regime and there are 2 alternatives available

1. Export under Bond/ LUT without payment of IGST and refund of accumulated ITC
2. Export with payment of IGST and claim refund of IGST paid (provided exporter has not opted for special relief scheme of buying goods at 0.1% GST)

One of the important conditions for availing the benefit of concessional rate of GST is to get registered under Export Promotion Council (EPC).