

### **Statement on feedback received**

The Reserve Bank of India had issued the draft Regulations and Directions on Export and Import of Goods and Services under FEMA, inviting feedback from stakeholders. Major feedback received and response to the same are summarised below:

<b>Feedback/clarification sought/concerns raised</b>	<b>Comments</b>
To apply regulations uniformly to transactions in process as well as fresh transactions.	<b>Accepted.</b> The said regulation has been modified. Please see Regulation 1(2).
Definition of software may be provided.	<b>Accepted.</b> Please see Regulation 2(1)(e).
Software Technology Parks of India (STPI) may also be retained as the specified authority for non-physical software exports.	<b>Accepted.</b> STPI in addition to the Authorised Dealer (AD) has been made the specified authority for non-physical software exports. Please see Regulation 2(1)(f).
Export Declaration Form (EDF) exemptions: (1) The EDF waiver provided in the existing regulations may be continued. (2) Service exports may be exempted from EDF requirements.	<b>Not accepted.</b> Section 7 of FEMA, 1999, makes declaration of exports mandatory. However, the process and timeframe for filing the EDF has been made flexible to ensure ease of doing business.
It may be clarified that submission of EDF is not necessary if Shipping Bill covers all information.	<b>Accepted.</b> Please see Regulation 3(1).
It may be clarified that a traveller from India moving personal effects shall not be treated as exporter.	<b>Accepted.</b> Please see Regulation 3(1).
To provide timelines for submission of EDF for services and to allow service exporters to file a single EDF that consolidates all invoice details, regardless of individual invoice values.	<b>Accepted.</b> Please see Regulation 3(2).
Request for relaxation in direct dispatch of documents.	<b>Accepted.</b> The concerned clause has been omitted from the final regulations.

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Request to introduce threshold-based compliance with regard to marking off of EDPMs and IDPMs entries.	<b>Accepted.</b> Please see Regulation 4(2).
Request for relaxation in third party payments and receipts, without having the requirement to take permission from AD.	<b>Accepted.</b> Please see Regulation 8.
To provide timeline for making Import payments and maximum period of extension for such timeline.	<b>Not accepted.</b> The regulations have been simplified, and the timelines would be as per the contract.
Request for relaxation to handle change of ADs arising out of various reasons in case of advance payments for exports and imports.	<b>Accepted.</b> Please see Regulation 10(1) and 10(2).
Memorandum of Instructions on Project and Service Exports (PEM) may be retained.	<b>Not accepted.</b> The regulations have been simplified, and the prescriptive regulations have been removed with an approach towards principle-based regulations. The ADs can handle transactions as per their internal policy.
Request related to Merchanting Trade Transaction (MTT): (1) Relaxation in stipulation to route outward and inward remittances through same AD. (2) To let AD handle the cases where third party receipt and payment is required in MTT.	<b>Accepted.</b> Please see Regulation 16(1).
ADs had requested relaxation up to five working days for entering the details in E/IDPMs.	<b>Accepted.</b> Please see Regulation 18(1).
Specific instructions/enabler may be provided on reduction in import value.	<b>Accepted.</b> Please see Regulation 18(1)(k).