

Automatic and hybrid generation of status holder certificate by DGFT

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Status Holder Certificates issued under FTP 2015-20 will remain valid till 30th September 2023 only and any IEC holder willing to avail the Status Holder Certificate under the FTP 2023. It has been provided by Public Notice No: 32/2023 & Trade Notice No. 28/2023-24 issued by the DGFT that The Status Holder Certificate (SHC) shall now be electronically generated based on export data available in DGCIS database with no requirement by the exporter to file any kind of application in most cases. However, in certain cases an application may still be required to be filed online.

In the interest of trade facilitation, the endeavour has been to recognize and grant system-generated electronic Status Holder Certification, based on merchandise export data available with DGCIS without the need for filing any application by the exporter.

Wherever required, exporters may also file an application online for recognition as well as for up-gradation of Status under the Policy in ANF 1B along with CA Certificate. Online Application for Status certificate shall be filed with regional jurisdictional offices (RA) of DGFT as determined by the location of Registered Office in the case of Company and of Head Office in the case of others as per Appendix 1A.

The process will be as follows –

A. The individual exporters will be divided into the five Status categories based on available merchandise export figures from EDI, non-EDI Ports and SEZ ports as per the eligibility criterion in Foreign Trade Policy 2023.

B. The e-SHC will be made available to the exporting entity in their registered email and the customer dashboard @ DGFTportal (<https://www.dgft.gov.in/CP/>) by 15th of August each year.

C. The data set used for the Status categorization will be the merchandise export performance of the preceding 3 FYs or the preceding 2 FYs (in case of gems and jewellery sector) plus the 3-month export data from April to June of the current FY.

D. Services exporters, deemed exporters and exporters with Double weightage (as admissible under para 1.27 of FTP 2023) and other exporters who do not receive their e-SHCs within 48 hours of issue of this Trade Notice will need to make an application, if not already made, for grant of Status Certificate as per the FTP 2023 provisions in the existing IT module along with supporting CA certificate. This facility of automatic e-SHC cannot be extended to these cases.

E. All already filed pending/in-process Status applications under FTP 2023 will be scrutinized by the IT system for auto-issuance of Status Holder Certificate where the applied Status category is the same as identified by the system. Such Files will be shown as 'closed' after auto-issue.

F. In case e-SHC is not upgraded, the IEC holder will need to move an amendment application at the DGFT portal as per para 1.08 of HBP 2023.

BRIEF ABOUT THE AUTHOR:

Vivek Jalan is a Chartered Accountant & a qualified L. LM & LL.B. He is the Founder & Partner of Tax Connect Advisory Services LLP. He is the Chairman of The Indirect Tax Core Group of The Confederation of Indian Industries – Economic Affairs and Taxation Committee (ER). He is the Chairman of The Fiscal Affairs and Taxation Committee of The Bengal Chamber of Commerce and Industry. He is the Member of The Managing Committee of The Bengal Chamber of Commerce and Industry.

He is a regular Columnist and guest expert in Economic Times, Business Standard, Times of India, Dalal Street Journal, Money Control, Live mint, CNBC, Hindustan Times, Zee Business, Financial Express, other dailies and business magazines like Business Today, etc. He is also a guest expert on Taxation matters in All India Radio and other media platforms. He is the Editor of Weekly Bulletin TAX CONNECT, a publication on Direct and Indirect Taxes which reaches more than 70000 professionals.

He is also a visiting faculty in The Confederation of Indian Industries (CII), The Institute of Chartered Accountants of India, Institute of Cost Accountants of India, Indian Institute of Foreign Trade, The Bengal Chamber of Commerce and Industry, The Indian Chamber of Commerce, The Merchant Chamber of Commerce and other Business Forums. He has also delivered Lectures at various Government Taxation Forums including the CGST & SGST Departments across the country.

He has worked as a Finance Manager in ITC Ltd. and Chief Compliance Officer with IntraSoft Technologies Ltd. He has more than 18 years of experience in the field of Information Technology, Finance, Taxation and Logistics. He was also an All-India Rank holder in CA Final Examination conducted by the Institute of Chartered Accountants of India.

His Books include the following –

- COMMENTARY ON UNION BUDGET 2023 – February 2023
- HOW TO HANDLE GST LITIGATION– September 2022
- HANDBOOK ON GST– June 2022
- GST PLEADING & PRACTISE – August 2021 – **India's Bestseller**
- UNION BUDGET 2021 – February 2021
- SECTIONWISE COMPENDIUM ON GST – October 2020
- INTEGRATED APPROACH TO E-INVOICING E-WAYBILL & RETURN FILING – October 2020
- COMMENTARY ON UNION BUDGET 2020– Feb 2020
- COMMENTARY ON UNION BUDGET 2019 – July 2019
- WITHDRAWAL OF LEGAL TENDER 2016
- COMMENTARY ON UNION BUDGET 2017
- SECTION-WISE COMPENDIUM ON GST – Oct 2020
- INTEGRATED APPROACH TO GST E-INVOICE, E-WAYBILL & RETURN E-FILING – Oct 2020
- **SECTION-WISE COMMENTARY ON GST – SEPTEMBER 2018**
- HOW TO HANDLE GST-TDS, GST-TCS, GST AUDIT & GST ANNUAL RETURN – NOVEMBER 2018
- A COMPENDIUM ON GST W.E.F. 1ST JULY 2017
- GST MODEL LAW (NOVEMBER 2016) & BUSINESS PROCESSES – A TECHNICAL COMMENTARY
- GST MODEL LAW (JUNE 2016) & BUSINESS PROCESSES – A TECHNICAL COMMENTARY
- "SERVICE TAX AND VAT IN WORKS CONTRACT: A COMPREHENSIVE TECHNICAL GUIDE".

He is a regular speaker at various professional forums on the various key areas in Finance and has delivered more than 300 lectures on various topics under Information Technology, Finance, GST, Customs, Foreign Trade Policy of India, Income Tax, etc.