**Guidance Note on Special Trade Transactions & Customs Representation**

**Physical, Deemed & Third Party Exports:**

**A. Physical Export -**

* **Meaning:** Actual shipment of goods out of India via sea, air, land, or courier.
* **Key Points:**
  + Requires **Shipping Bill**, **Bill of Lading/AWB**, **Export Invoice**, **Packing List**.
  + Eligible for export incentives, GST zero-rating, duty drawback, etc.
  + Proceeds must be realised in foreign currency through an AD Bank.

**B. Deemed Export**

* **Meaning:** Goods supplied within India but treated as exports under FTP (e.g., supplies to SEZ, EOUs, Defence Projects).
* **Key Points:**
  + No physical movement out of India.
  + Benefits: Refund of Terminal Excise Duty (TED), Deemed Export Drawback, GST refund.
  + Documentation: Tax Invoice, ARE-1/ARE-3, Project Authority Certificate.

**C. Third Party Export**

* **Meaning:** When an exporter (third party) files shipping documents, though goods are manufactured by another.
* **Key Points:**
  + Both manufacturer and third-party exporter must be registered with DGFT.
  + Shipping Bill must mention both names.
  + Incentives can be claimed by the exporter (as per agreement).

**✅ Do’s & Don’ts Summary:**

**Do’s -**

* Verify product eligibility under FTP.
* Keep all customs documents handy (5-year record).
* Ensure timely filing of appeals in case of disputes.
* Use digital tools like ICEGATE for status tracking.

**Don’ts**

* Don’t undervalue goods or misdeclare HSN.
* Don’t import second-hand machinery without clearance.
* Don’t ignore customs notices (can lead to penalties).
* Don’t assume baggage rules cover commercial goods.

**Documentation, Fee Structure & Timelines**

**1. Physical Export -**

**Documents:**

* IEC (Importer Exporter Code)
* Commercial Invoice & Packing List
* Shipping Bill (filed via ICEGATE)
* Bill of Lading / Airway Bill
* Export Declaration Form (EDPMS compliance)
* Insurance Policy (if applicable)
* Certificates (Origin, Phyto, Quality, etc.)

**Fee:**

* Shipping Bill fee (₹100–₹200 depending on CHA).
* Terminal Handling, BL/AWB charges (₹2,000–₹5,000).

**Timeline:**

* Export clearance: 1–2 working days (if RMS facilitated).

**2. Deemed Export**

**Documents:**

* Tax Invoice
* ARE-1/ARE-3 Form
* Project Authority Certificate (PAC)
* CT-3 Certificates (where applicable)
* DGFT application for TED refund / drawback

**Fee:**

* Application to DGFT (₹1,000–₹5,000).

**Timeline:**

* Claim settlement: 3–6 months (DGFT/Excise).

**3. Third Party Export**

**Documents:**

* IEC of Manufacturer & Exporter
* Agreement / Undertaking between parties
* Shipping Bill mentioning both parties
* Invoice (exporter issues to buyer; manufacturer issues to exporter)

**Fee:**

* No special fee, regular export charges.

**Timeline:**

* Same as physical export (1–2 days clearance).