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Government of India
Ministry of Commerce & Industry
Department of Commerce
Directorate General of Foreign Trade
Vanijya Bhawan, New Delhi

Public Notice No. 50/2024-2025
10th March 2025

Subject:- Amendment to Para 10.12(D) of the Handbook of Procedures 2023 – Revised Procedure for General Authorization for Export after Repair (GAER)

S.O(E) : In exercise of the powers conferred under Paragraphs 1.03 and 2.04 of the Foreign Trade Policy 2023, as amended from time to time, the Director General of Foreign Trade hereby inserts a new entry at Paragraph 10.12(D) under the Handbook of Procedures(HBP) 2023 with immediate effect.

2. Para 10.12(D) of the HBP 2023 is amended as under:

D. Authorization for export of same imported SCOMET items to Related entities⁰ and Repair supply chain¹ in the foreign country under General Authorization for Export after Repair(GAER)

⁰Related entities mean Direct subsidiary / Foreign Parent of the Indian Company or another Subsidiary of the foreign parent of the Indian Company.

¹Repair supply chain means (i) Authorized Vendor (ii) Original Equipment Manufacturer(OEM) with whom Indian company has a Master Service Agreement/Electronic Manufacturer Service agreement/Contract Agreement defining conditions of undertaking repair in India.

A. Export of imported SCOMET items **to the related entities⁰ and repair supply chain¹ in the foreign country** after repair in India will be allowed on the basis of a one-time General authorization for Export after Repair in India (GAER) subject to post reporting on quarterly basis issued by DGFT, subject to the following conditions:

a. The SCOMET items were imported to a designated/authorized repair facility in India for the purpose of repair under a contract agreement/Master Service agreement (MSA)/Electronic Manufacturer Agreement (EMS); or Imported under a contract agreement between Indian exporter, entities of repair facility (if different from exporter) and entity abroad defining 'Statement of Work (SOW)'/ 'Scope of Work' including conditions for undertaking repair in India;

- b. The items are to be re-exported to **only related entities⁰** and **repair supply chain¹** in the foreign country.
- c. The exporter is required to register and obtain General authorization for export after repair only once during the validity period. Subsequent export/re-export is subject to post reporting;
- d. The exporter is required to provide Bill of Entry for the imported item while applying for GAER for the first shipment.
- e. General authorization for export after repair shall be valid for a period of one year from the date of issue of General authorization subject to subsequent post reporting(s) within 30 days from the date of such export;
- f. Subsequent export would be allowed to the same entity and location to which the license has originally been issued. Note: Same entity would imply that (a) foreign buyer (b) consignee or intermediaries, if any (c) the end user are exactly the same for which authorisation has been issued to the applicant exporter.
- g. There has been no change to the original characteristics/specifications of the SCOMET item(s) after repair and no value addition has been done during the repair work;
- h. No Export Authorisation would be granted when the initial export authorisation has been suspended, modified or revoked by country of import;
- i. No Export authorisation would be granted for UNSC sanctioned destinations or countries/entities of high risk, as assessed by the IMWG, from time to time;
- j. No details of 'End Use' and 'End Use Certificate' would be required;
- k. GAER issued for specific item and specific entity (buyer/end user) shall not be applicable in case the re-export is of a different imported item or to a different entity or Authorised OEM. In such cases, either a new GAER authorization may be applied or application may be filed under Para 10.12(D) of HBP.
- I. Certified / approved Internal Compliance Programme or demonstrating compliance to the ICP of the foreign company or ICP certified by the compliance manager of that company shall be mandatory. [only for intra-company transfers].**
- m. Authorized Economic Operator (AEO) Certification along with ICP compliance shall be mandatory. [for re-export to vendors/OEMs].**

B. Documents Required for GAER

1. Proof of import of the item(s):

- a. Export Authorisation (if applicable) issued by the foreign country for original import of the items to India;
- b. Documentary proof and/or self-declaration that the item exempted from license requirement or place under no license requirement for India.
- c. Bill of Entry (first time)

2. Proof of obligation for repair of defective/damaged items:

Contract agreement and/or 'Statement of Work (SOW)'/ Master Service agreement (MSA) between Indian exporter and with the entity abroad/**Direct subsidiary/Parent of the Indian**

Company or another subsidiary of the foreign parent of the Indian Company/Authorised Vendor/Original Equipment manufacturer having EMS agreement/Master service agreement/ contract with Indian Company from (which the goods were imported initially) defining conditions for undertaking repair in India

3. An Undertaking from the Indian exporter:

An Undertaking from the applicant exporter (on the letter head of the firm duly signed and stamped by the authorized signatory) stating:

- a. Details of imported items to be exported after repair along with their SCOMET Category /Sub-category number(s), quantity, item description and ECCN of foreign country (if available) ;
 - b. That item(s) are being exported to only **related entities⁰ and repair supply chain¹** in the foreign country (**Direct subsidiary/Parent of the Indian Company or another Subsidiary of the foreign parent of the Indian Company/Vendor/Original Equipment manufacturer having contract with Indian Company**) from which it was originally imported for repair and return purpose.
 - c. That there has been no change to the original characteristics/specifications of the item(s) after import and no value addition has been done during the repair work;
 - d. That the repair of defective/damaged items is allowed under the conditions of import or contractual agreement between Indian exporters and entities from which goods were imported.
 - e. That Shipping Bills and Bill of Entry into destination country of subsequent re-exports and any other information as sought by DGFT shall be submitted to DGFT on quarterly basis.
 - f. That items would not use for military applications or to develop, acquire, manufacture, possess, transport, transfer or use, chemical, biological, nuclear weapons or for missile capable of delivering such weapons.
4. Certified/approved Internal Compliance Programme or demonstrating compliance to the ICP of the foreign company or ICP certified by the compliance manager of that company. [only for intra-company transfers]
 5. Authorized Economic Operator (AEO) Certification along with ICP compliance. [for re-export to vendors/OEMs]

C. Post reporting for re-export of items/software/technology under GAER

- i. The Indian exporter shall submit post-shipment details of each transfer/consignment of exports of SCOMET items/software/technology under GAER to the SCOMET Division of DGFT (HQ), New Delhi, via e-mail (scomet-dgft@nic.in) or a procedure as prescribed by DGFT, on quarterly basis (March/June/September/December), by the end of subsequent month of each quarter, in respect of the exports made in the previous quarter.
- ii. The post-shipment details shall include submission of Bill of Entry (wherever available), shipping bill details, valid export license copy within the timelines mentioned above.
- iii. Failure to do so may entail imposition of penalty and/or suspension/revocation of GAER and action as per FT(D&R) Act.

D. Suspension / Revocation

GAER issued shall be liable to be suspended / revoked by the DGFT on receipt of an adverse report on proliferation concern or for non-submission of mandatory reports /documents within the prescribed timelines, or for non-compliance with the conditions of this Public Notice.

E. General conditions

- i. GAER would not be issued in case of items to be used to design, develop, acquire, manufacture, possess, transport, transfer and/or used for chemical, biological, nuclear weapons or for missiles capable of delivering weapons of mass destruction and their delivery system;
- ii. GAER would not be issued for countries or entities covered under UNSC embargo/sanctions or on assessment of proliferation concerns, or national security and foreign policy considerations, etc.;
- iii. DGFT shall reserve the right to deny issuance of GAER or recall GAER.

F. Applications for grant of General authorizations for export to the same entity from goods were imported shall be approved by Chairman IMWG, without any consultation with IMWG members after the first export/shipment. In exceptional cases, consultation with IMWG may be done prior to issuance of GAER, in case required.

G. All such authorizations shall be brought before IMWG in its subsequent meeting for confirmation of approval, on ex-post facto basis.

Effect of this Public Notice: Paragraph 10.12(D) of HBP 2023 has been amended to allow General Authorization for Export after Repair (GAER). The revised provisions streamline the procedures for multiple re-exports SCOMET items to related entities and authorized vendors/OEMs after repair in India under a one-time authorization with quarterly post-reporting instead of requiring fresh approvals for each shipment.

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