

eBRC-FAQs

S. No	Questions	Answers
1	Where I can find detailed step by step instruction on filing an application?	Please click here for details
2	How do I know if a BRC is eBRC?	From 17.08.2012, banks transmit all BRC data electronically to DGFT. Such BRC is called 'e-BRC'. You can check the status on DGFT website(www.dgft@gov.in)
3	How do I know if a BRC issued is manual(Non EDI)?	BRC issued in physical forms by bank before 17.08.2012 are manual BRCs.
4	If my BRC is 'eBRC', Is it mandatory for the Shipping Bills to be EDI?	No. It is not mandatory. Even non-EDI Shipping Bills can be linked to eBRC.
5	Once I have added Shipping bill to the repository, do I have to add it again?	No. Once the Shipping Bill is added to the Repository it is available for utilization. You can view it by going to the shipping bill repository.
6	Can I use my Shipping bill in multiple Licensing Schemes?	Yes. You can use your shipping bills from repository for multiple schemes. However, you are not allowed to use it in the same scheme twice. Example. If you have used your shipping bill for DEPB scheme, you cannot claim benefit again under the DEPB scheme (So Obvious). However, you can use the same shipping bill in any other eligible scheme.
7	Who will enter Commission, Insurance, and Freight in the Product Details?	Exporter will enter these details. 'e-BRC' details available in the DGFT server do not contain values of Commission, Insurance and

		Freight. These are to be entered by the exporters while making applications under various DGFT schemes.
8	What happens if banks have reported BRC which is less than total realized value?	Exporters must ensure that the 'e-BRC' value reported by bank reflects total realized value. If a bank has erroneously transmitted less than total realized value after deducting components like Freight, Insurance or Commission, exporters should get it corrected from the bank.
9	Shortfall in realization(case 1-- Shipping bill contains only one product) I realized less foreign exchange compared to the FOB value declared on the shipping bill. How this shortfall is to be adjusted for the purpose of calculating entitlement under various schemes?	In case of shortfall in foreign exchange realization with respect to the shipping bill FOB value, pro rata distribution of realized foreign exchange against each export item will be made by the system itself. This can be easily understood through the following illustrations: <ul style="list-style-type: none"> • Illustration 1 (Single Export Product) – If foreign exchange realization as per e-BRC is US \$ 100/- and FOB value mentioned on the Shipping Bill is US\$ 80/- , the benefit would be granted on US \$ 80/-. • Illustration 2 (Single Export Product) - If foreign exchange realization as per e-BRC is US \$ 100/- and FOB value as mentioned on the Shipping Bill is US \$ 120/- , then FTP benefits would be granted on US \$ 100/-.
10	Shortfall in realization(case 1-- Shipping bill contains more than one product) I exported more than one item on a single shipping bill. For claiming benefit under Various schemes, I need separate realization value for each product. However, I see a problem here as banks report only one consolidated realization value for each Shipping Bill(even if there are more than one item on a single shipping bill). How this value is to be distributed against multiple products in Shipping Bill for the purpose of making applications under various	In case of multiple items on a shipping bill, the FOB value will be proportionately distributed to its product list and multiplication factor applied on it. This can be easily understood through the following illustration: Suppose a Shipping Bill contains 3 export items A,B and C with FOB values US \$40, US \$60 and US \$80 respectively (total FOB US \$180/-). Now, if the total NFE realised as per e-BRC is US\$90/-, then by pro-rata calculation the benefits on 3 items i.e. A, B and C will be calculated on 20 US\$, 30 US\$ and 40 US\$ respectively.

	schemes ?													
11	What is Multiplication Factor?	<p>Multiplication Factor (M.F) defines the ratio between the FOB value actually realized and FOB value mentioned on the Shipping Bill.</p> <p>Multiplication Factor M=</p> <p><u>FOB value actually realized</u> Shipping Bill FOB</p> <p>Value of M is to be restricted to actual value or 1 whichever is less.</p>												
12	<p>What is Net FOB(FOB excluding commission)?</p> <p>How is Net FOB value calculated from the value realized in foreign Currency?</p>	<p>Net FOB is calculated by excluding commission from the FOB value in Foreign Currency. Net FOB parameter is used to factor correct amount of commission allowable under various schemes.</p> <p>Based on whether the foreign exchange realization is in CIF, &F or FOB; net FB is calculated as follows: Following table gives details?</p> <table border="1"> <thead> <tr> <th>S</th> <th>Type of realized value</th> <th>Net FOB value actually realized equals</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>If realized value is in CIF</td> <td>Realized value –(Freight + Insurance+ Commission)</td> </tr> <tr> <td>2</td> <td>If realized value is in C&F</td> <td>Realized value –(Freight+ Commission)</td> </tr> <tr> <td>3</td> <td>If realized value is in FOB</td> <td>Realized value - Commission</td> </tr> </tbody> </table>	S	Type of realized value	Net FOB value actually realized equals	1	If realized value is in CIF	Realized value –(Freight + Insurance+ Commission)	2	If realized value is in C&F	Realized value –(Freight+ Commission)	3	If realized value is in FOB	Realized value - Commission
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3	If realized value is in FOB	Realized value - Commission												
12	What values of Freight, Insurance and Commission are to be files in the application	Freight, Insurance and Commission values should be actual transaction values												
13	How Commission is factored under various schemes?	<p>Commission is treated in 2 ways in FTP schemes. Following Para give details of calculation:</p> <p>A-DEPB and Chapter 3 schemes(ANF 3C and ANF 4G)</p> <p>For the purpose of calculating entitlement, commission amount is to be calculated as per actual value or 12.5% of net FOB value realized whichever is less.</p>												

		<p>The allowed commission (item wise) will be calculated as per the formula:</p> $C^T = (P/T) * C_P$ <p>C^P- allowed commission (item wise) P- Assessed FOB value of item in INR T- SB FOB in INR C-Total commission on SB in FC</p> <p>B-Advance Authorization and EPCG scheme(ANF 4D, ANF 4F, ANF 4H and ANF 5B)</p> <p>For the purpose of calculating entitlement, commission amount is to be excluded.</p>
14	How is Realized FOB including commission calculated for DEPB and Chapter 3 schemes?	<p>Item wise Realized FOB including commission is calculated as</p> $FOB^P = (P/T) * C_P + C^P$ <p>FOB^P- Item wise Realized FOB including commission</p> <p>C^T -Allowed commission (item wise) P- Assessed FOB value of item in INR T- SB FOB in INR FOB^{FC}- FOB Value in FC M-Multiplication Factor</p> <p>=(Assessed value of item in INR/SB value in INR) * FOB Value in FC * MF + Allowable commission</p> <p>Note: For DEPB purposes exchange rate applicable is as on LEO (Let Export Order) Date</p> <p>Note: For Chapter 3 incentives purposes exchange rate applicable is as on Date of Export</p>
15	What precautions should be taken by the applicant at the time of making a Licensing Application?	<p>User must ensure that his:</p> <ol style="list-style-type: none"> 1. BRC details are correct 2. Whenever manual data is updated same is entered correctly. Commission, Insurance and Freight is properly updated against each item of a shipping bill as per the original

		documents.
	How can I take a print out of eBRC for my use?	We are developing system for allowing printing of eBRCs. A method also is being worked out for sharing of e-BRC is with different agencies.