

LIST OF OBSERVATIONS – FREIGHT SUBSIDY CLAIMS

(Attachment to EPD Circular No. 06/EPP-1(51)FS-2004)

- i). *Annexure IV (Summary of Claim) of Public Notice No. 2(2)/2003-PPI dated 11th November, 2003 has not been completely filled in, e.g., the dates of receipt/issuance of claim have been left blank.*
- ii). *In a number of freight subsidy claims E-Form Number is not mentioned on the Bank Credit Advice issued by the dealing bank.*
- iii). *In numerous freight subsidy claims, the endorsement “**Freight Subsidy Claim**” has not been affixed by the dealing banks as required under Clause 4(b) of the Public Notice No. 2(2)/2003-PPI dated 11th November, 2003.*
- iv). *Some dealing banks have processed merely “Summary of Claims” without supporting documents as required under Public Notice No. 2(2)/2003-PPI dated 11th November, 2003.*
- v). *A few claims have been submitted more than once, (both photocopy as well as original). It seems that currently the dealing banks do not have effective control procedures to identify/restrict the submission of duplicate or multiple claims. The Public Notice does not require from exporter or dealing bank to submit photocopy alongwith original claim. Therefore, photocopy of claim should in no case be forwarded to the NBP/EPB for processing the freight subsidy claim.*
- vi). *In some cases, it has been noticed that the date of receipt of claim by the dealing bank is shown to precede the date of shipment.*
- vii). *In a number of claims, the date of shipment, as mentioned in the Summary of Claim (Annexure IV), does not match the date of shipment recorded in Bank Credit Advice. Such claims as contravene the requirement of regulation 5(c) of Public Notice No. 2(2)/2003-PPI dated 11th November, 2003 are not admissible.*
- viii). *Many claims have been processed for payment which were not lodged by the exporter within the prescribed time period as required under regulation 5(a) of Public Notice No. 2(2)/2003-PPI dated 11th November, 2003.*
- ix). *In a number of cases, Summary of Claim (Annexure IV) made on the letter head of the exporter is not endorsed by the dealing bank as required by regulation 5(a) of Public Notice No. 2(2)/2003-PPI dated 11th November, 2003.*