



Update on re-validation of export authorizations issued for the export of software/technology items under the SCOMET list

September 08, 2020

The Inter-Ministerial Working Group (**Working Group**) of the Directorate General of Foreign Trade has clarified the time period of validity of export authorizations for software/technology items via Trade Notice No 26/2020-21 ([available here](#)) issued on August 31, 2020.

No re-validation for technology/software items

The Inter-Ministerial Working Group, in response to requests for revalidation of export authorization issued for technology/software transfer on the grounds that export of technology/software is ongoing and continuous process, has decided that export obligation cannot be quantified in terms of item or value of exports in technology/software authorizations. It has hence decided that re-validation to such export authorizations need not be considered.

One-time extension on existing authorizations

However, taking into consideration that exports do not suffer, the Working Group has decided to grant an extension of six months, as a one-time relief in all SCOMET export authorizations involving technology transfer expiring by September 30, 2020, on the submission of an application in the prescribed Proforma to DGFT.

Future validity of authorizations for technology/software items

Henceforth, the validity period of SCOMET export authorizations for transfer of technology/software under any category of SCOMET shall be twenty-four months only or the validity period as allowed in terms of Para 2.16 of Handbook of Procedures of the Foreign Trade Policy. No subsequent revalidation of such authorizations shall be permitted. This is an opportunity provide to the IT and ITES including R&D centers based in India, given the pandemic effects on business in recent months as well as will facilitate in meeting the export conditions as per the license.

We trust you will find this an interesting read. For any queries or comments on this update, please feel free to contact us at insights@elp-in.com

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Email: Insights@elp-in.com

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