

Government of India
Ministry of Commerce & Industry
Directorate General of Foreign Trade

Udyog Bhawan, New Delhi

Dated: 31.04.2016

Trade Notice No.03/2016

To

1. IEC holders
2. Chambers of Trade and Industries
3. FIEO/ASSOCHAM/CII
4. All RA's of DGFT

Vide Notification No.38 dated 5th February, 2016, Government has imposed Minimum Import Prices (MIP) on 173 tariff lines under Chapter 72 (Iron & Steel). The same Notification also protects imports/shipments after 5th Feb, 2016, which are negotiated and finalised under Irrevocable Letter of Credits (ILCs) before the date of the said Notification under Para 1.05(b) of FTP, provided these ILCs are registered with Jurisdictional RAs within a period of 15 days.

2. Representations have been received from some importers who opened ILCs under Para 1.05 of FTP but missed the deadline of registering ILCs with the RAs within the prescribed time limit (15 days from the date of Notification).

3. The Policy Relaxation Committee (PRC) in its meeting dated 11.4.2016 has considered these representations. It noted that importers had opened ILCs under Para 1.05 of FTP but missed the deadline of registering ILCs with the RAs within the prescribed time limit (15 days from the date of Notification). It further noted that as the ILCs were negotiated and finalised before the date of the Notification No 38 dated 5th February, 2016 and only on procedural matter of registering within 15 days from the date of Notification, the importers have defaulted, there exists a case of genuine hardship in terms of Para 2.58 of FTP (2015-20). Therefore, it recommended that an opportunity be given to importers who have finalized their ILCs before 5th February, 2016, to register these ILCs with their concerned jurisdictional RAs, by relaxing the provision of registration of ILC's within 15 days as under para 1.05(b) of the FTP (2015-20).

4. Accordingly, under the provisions of para 2.58 of FTP (2015-20), DGFT has relaxed the provision of registration of ILC's within 15 days, for importers who have finalized their ILCs for imports/shipments of items covered under Notification No.38 dated 5th February, 2016 before the date of notification and grants them the opportunity to register their ILC's with their concerned jurisdictional RAs, by 30th April, 2016. The importers will submit their request along with ANF-2D with prescribed fee of Rs. 2000/- as prescribed for policy relaxation.

5. All RAs may accordingly take necessary action.


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