

Government of India
Ministry of Commerce and Industry
Department of Commerce
Directorate General of Foreign Trade

Policy Circular No. 90(RE-2008)/2004-09

New Delhi: 15th May 2009

Subject: Nexus with Exported Products under Target Plus Scheme, Clarification thereof.

Attention is invited to Para 3.7.6 of Target Plus Scheme Provision in FTP RE2004 and FTP RE2005 and Policy Circular No. 10 (RE-2008)/2004-09 dated 5.6.2008 (whereby procedure for endorsement of permitted imports on duty credit scrips, issued under Target Plus Scheme was laid down). Doubts have arisen in the Trade and Industry as well as in the Customs as to whether the condition of 'nexus with exported products' would apply to permitted imports of Agricultural Products, including import of edible oil through STC/MMTC.

The matter has been examined in detail. It is clarified that "*Agricultural Products covered under Chapter 1 to 24 except 6(a) to 6(f) listed in Policy Circular 10 (Re2008) dated 5.6.2008.*" as listed at Sr. No. 6 of Policy Circular 10(RE2008) dated 5.6.2008 and endorsed on the Duty Credit Scrips issued under Target Plus Scheme, **are permitted only when nexus with exported products is clearly established.** Accordingly, all Duty Credit Scrips issued under Target Plus Scheme shall be **automatically endorsed** with the following condition:

"Sr. No. 6 (as endorsed on the duty credit scrips issued under Target Plus Scheme in terms of Policy Circular 10(RE-2008) dated 5.6.2008) is permitted to be imported only when '*nexus with exported products*' is clearly established. The condition of '*nexus with exported products*' is mandatory in terms of Para 3.7.6 of the Policy FTP RE2004 and FTPRE2005."

All RAs to ensure that this condition is endorsed on Duty Credit Scrips being issued or if submitted for revalidation; and Customs to ensure that the condition of nexus is fulfilled while permitting imports.

This issues with the approval of DGFT.

Sd/-
(A.K. Singh)
Joint Director General of Foreign Trade

To, All Regional Authorities
All Customs Authorities
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