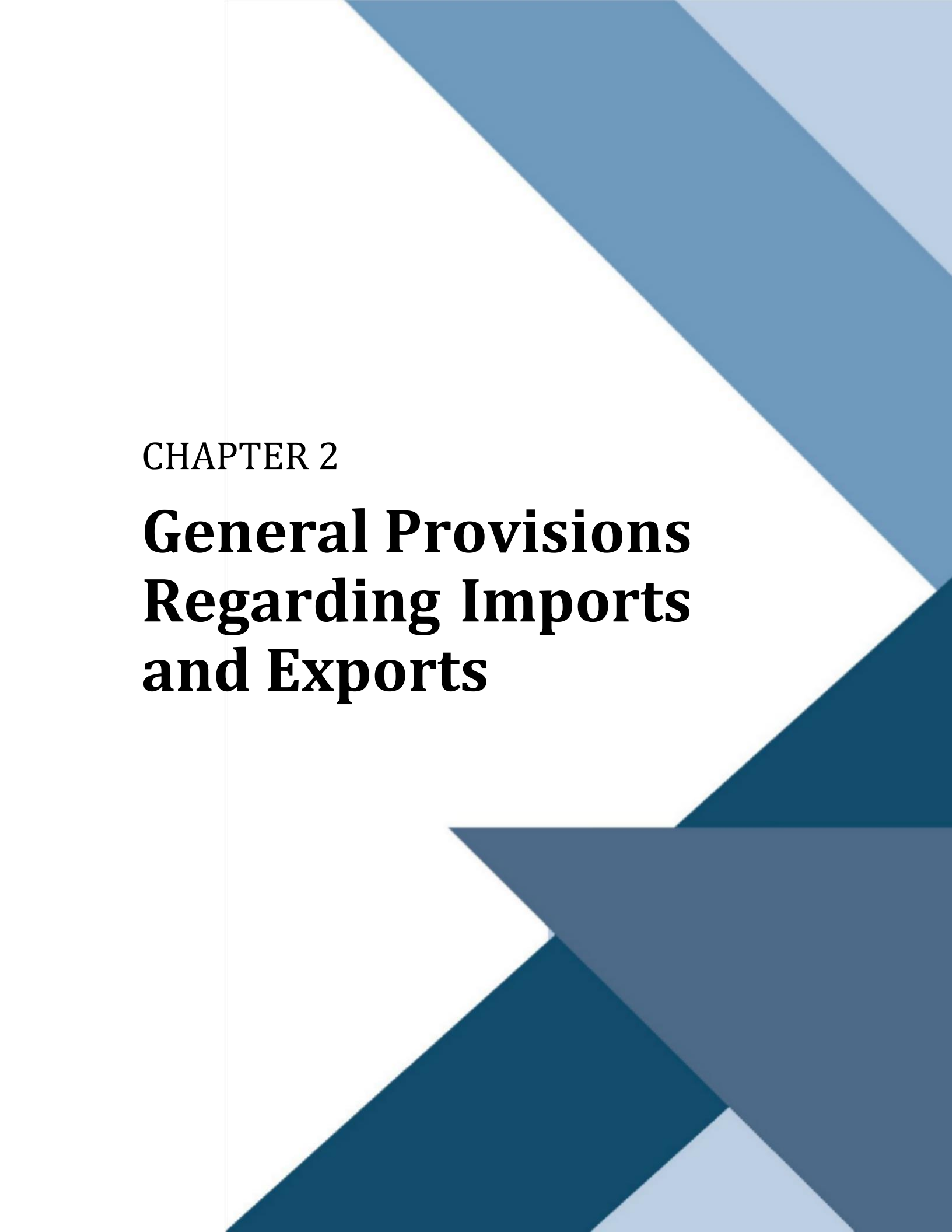




CHAPTER 2

# **General Provisions Regarding Imports and Exports**

## **CHAPTER-2**

# **GENERAL PROVISIONS REGARDING IMPORTS AND EXPORTS**

### **2.00 Policy**

Policy relating to general provisions regarding exports and imports is given in Chapter-2 of the FTP.

### **2.01 Coverage**

This chapter covers procedure for various applications including their complete documentation. Procedure for applications for authorisations/ license/ permissions/ certificates for import/export and applications for benefits under FTP are laid out.

### **2.02 Countries of Imports/Exports**

Unless otherwise specifically provided, international trade (i.e. import into India and/or export from India) can take place from/to any country. Country specific prohibitions/limitations, if any, are specified in the FTP or the ITC(HS).

## **APPLICATIONS**

### **2.03 Filing of Application**

(a) Applications seeking authorisation for import/export of “restricted” goods, or for claiming benefits under the schemes in FTP or for seeking clarifications or for other purposes may be made online on <https://dgft.gov.in>

(b) Applicants may ensure while submitting documents that documents are either in English or Hindi. Documents in regional languages may be translated into English or Hindi and the translated copy may be self-certified and submitted along with the original copy.

### **2.04 Territorial Jurisdiction of RA**

Territorial jurisdiction of RAs is given in Appendix 1A of Appendices and Aayat Niryat Forms. The address of applicant determines the jurisdiction of RA. Each application, unless otherwise specified, shall be submitted to jurisdictional RA.

## 2.05 Incomplete Application

- (a) An incomplete or unauthorised application is liable to be rejected by the competent authority with specific reason for rejection. Such incomplete application may be re-opened on rectifying the deficiencies.
- (b) If the deficiencies are not rectified by the applicant within a period of 90 days, the application will be deemed to have been withdrawn.

## 2.06 Application Fee

The scale of fee, mode of payment, procedure for refund of fee and categories of persons exempted from payment of fee are provided in Appendix-2K.

## IMPORTER EXPORTER CODE (IEC)

### 2.07 IEC Number Exempted Categories

- (a) IEC is compulsory for import and /or exports. However, the following categories of importers or exporters are exempted from obtaining IEC:

| Sl. NO. | Categories Exempted from obtaining IEC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|---------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (i)     | Importers covered by clause 3(1) [except sub- clauses (e) and (l)] and exporters covered by clause 3(2) [except sub-clauses (i) and (k)] of Foreign Trade (Exemption from application of Rules in certain cases) Order, 1993.                                                                                                                                                                                                                                                                                                                                                                                                                      |
| (ii)    | Ministries /Departments of Central or State Government                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| (iii)   | Persons importing or exporting goods for personal use not connected with trade or manufacture or agriculture.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| (iv)    | Persons importing/exporting goods from/to Nepal; Bhutan; Myanmar (through Indo-Myanmar border areas); and China (through Gunji, Namgaya Shipkila and Nathula ports), provided that the CIF value of single consignment of import/export of goods from/to Nepal; Bhutan and Myanmar (through Indo-Myanmar border areas) does not exceed Indian Rs. 25,000/-; and in the case of China, (a) for import/export of goods through Gunji and Namgaya Shipkila, CIF value of single consignment does not exceed Indian Rs.1,00,000/- ; and (b) for import/export of goods through Nathula, CIF value of single consignment does not exceed Rs.2,00,000/-. |

Further, exemption from obtaining IEC shall not be applicable for export of SCOMET items as listed in Appendix -3, Schedule 2 of ITC (HS), 2022 except in case of exports by category (ii) above.

- b) Following permanent IEC numbers shall be used by non – commercial PSUs and categories or importers / exporters mentioned against them for import / export purposes:

| Sr. No. | Permanent IEC | Categories of Importer / Exporter                                                                                                                                                                                                                 |
|---------|---------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1       | AMDCG0111E    | All Ministries/Departments of Central Government and agencies wholly or partially owned by them.                                                                                                                                                  |
| 2       | ADSGA0129E    | All Departments of any State Government and agencies wholly or partially owned by them.                                                                                                                                                           |
| 3       | DCUNO0137E    | Diplomatic personnel, Counsellor officers in India and officials of UNO and its specialised agencies.                                                                                                                                             |
| 4       | IABBR0145E    | Indians returning from/going abroad and claiming benefit under Baggage Rules.                                                                                                                                                                     |
| 5       | IIHIE0153E    | Persons/Institutions/Hospitals importing or exporting goods for personal use, not connected with trade or manufacture or agriculture.                                                                                                             |
| 6       | IIEGN0161E    | Persons importing/exporting goods from/to Nepal for non-commercial purposes                                                                                                                                                                       |
| 7       | IIEGM0170E    | Persons importing/exporting goods from/to Myanmar through Indo-Myanmar border areas for non-commercial purposes                                                                                                                                   |
| 8       | ATAEF1096E    | Importers importing goods for display or use in fairs/exhibitions or similar events under provisions of ATA carnet. This IEC number can also be used by importers importing for exhibitions/fairs as per Paragraph 2.60 of Handbook of Procedures |
| 9       | IDNBG1100E    | Director, National Blood Group                                                                                                                                                                                                                    |
| 10      | ICIRN1126E    | Individuals/Charitable Institution/Registered NGOs importing goods, which have been exempted from Customs duty under Notification issued by Ministry of Finance for bonafide use by victims affected by natural calamity.                         |
| 11      | IIEGC1134E    | Persons importing/exporting permissible goods as notified from time to time, from/to China through Gunji, Namgaya Shipkila and Nathula ports, subject to value ceilings of single consignment as given in Paragraph 2.07 (iv) above.              |
| 12      | NCIEE1169E    | Non-commercial imports and exports by entities who have been authorised by Reserve Bank of India.                                                                                                                                                 |

## **2.08 Application for IEC**

- a) Exporters/ Importers shall file online application in ANF-2A format through the online process at <https://dgft.gov.in> with applicable fee and requisite documents.
- b) IEC will be auto-generated and applicant will be informed through e-mail and SMS. Applicant can also view and download the e-IEC after completion of the submission process of application by logging onto their dashboard.
- c) The details submitted in the IEC application shall be validated through online integration with records maintained by relevant Ministries/Departments/Organisations/Banks, wherever feasible. Further, the applicant is required to submit the following details/documents (scanned copies to be uploaded), unless specifically exempted by the system during the online application process:
  - (i) Cancelled cheque bearing entity's pre-printed name or Bank certificate in format prescribed;
  - (ii) Address proof of the applicant entity as detailed in the application
- (d) The guidelines for the conduct of post-verification of Online IECs will be issued by DGFT Headquarters from time to time.

## **2.09 IEC Format**

An electronic copy of the IEC may be downloaded online on their DGFT Dashboard. The details of any IEC may be verified on the DGFT Website under Services→ 'View IEC Related Details'

## **2.10 Validity of IEC**

- a) An IEC allotted to an applicant shall have permanent validity unless suspended/cancelled by the competent authority. The IEC will cover all branches / divisions / units / factories of the applicant.
- b) IEC's can however be de-activated in pursuance of the policy in para 2.05(e) of FTP.

## **2.11 Validity of IEC for EOUs / SEZs**

An IEC will remain valid irrespective of a firm's status as a DTA unit or an SEZ unit or an EOU/EHTP/STP/BTP unit.

## **2.12 One PAN-One IEC**

Only one IEC shall be issued against a single PAN.

## **2.13 Surrender of IEC**

If an IEC holder does not wish to operate allotted IEC, they may surrender the same online to the issuing authority. On receipt, the issuing authority shall examine the request. On approval the updated IEC shall be transmitted to the Customs authorities.

IEC can be surrendered only if all authorisations/ obligations have been closed for the IEC or in cases where the firm has been amalgamated/acquired/merged etc. with another entity such that all the authorisations/obligations are transferred to the IEC of the new entity.

#### **2.14 Modification of IEC**

(a) Modification(s)/Updation(s) in IEC can be done online only with applicable fees and requisite documents.

(b) Any change in constitution of firm, address, bank details or any other primary details, the IEC holder is required to ensure that the IEC details are suitably updated online within 30 days of effecting such change(s).

(c) Request for (i) Cancellation of existing IEC and (ii) PAN change in existing numeric IECs has to be made to the jurisdictional Regional Authority.

(d) RAs shall consider applications seeking modification in IEC (all numeric), involving change in PAN, by ensuring that liabilities of the previous applicant/applicant firm are transferred to the new applicant/applicant firm whose PAN will be reflecting in the modified IEC.

(e) In case of change in constitution of a PAN based IEC by way of merger, acquisition, liquidation, inheritance, business transfer etc. such that PAN of the new entity so formed is different from the earlier one, an IEC shall be availed against the new PAN within 30 days of effecting such change, if not existing already. Previous IEC (s) can also be operationally linked to the IEC of the new entity.

(f) An application for transfer of unredeemed Authorisation(s) from earlier IEC to the new IEC may be submitted online to the original jurisdictional RA along with supporting documents. Concerned RA may sanction the given linkage after due scrutiny of the evidence provided by the applicant including submission of affidavits etc.

#### **2.15 Profile of Importer / Exporter**

a) ANF-1 contains the profile of the importer/exporter. IEC Holder shall be responsible for updating the same as and when a change takes place immediately or in any case at least once in a year.

b) Documents which are uploaded in the Importer-Exporter Profile are not required to be filed each time the importer/exporter applies for authorisation/scrip/ licence/ registration under different schemes of this FTP.

c) Proof of status as manufacturer exporter is also to be uploaded under the Profile.

## ISSUANCE OF AUTHORISATION

### 2.16 Validity period of Authorisation/ Licence / Certificate / Authorisation / Permissions

Validity period of Import / Export Authorisations from the date of issue shall be as follows, unless specified otherwise:

| Sr. No | Type of Authorisation                                                                                  | Validity Period                                                                            |
|--------|--------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|
| (i)    | Export Authorisation for restricted (Non-SCOMET) goods                                                 | 24 months                                                                                  |
| (ii)   | Export Authorisation for SCOMET items                                                                  | 24 months                                                                                  |
| (iii)  | Import Authorisations for Restricted items                                                             | 18 months                                                                                  |
| (iv)   | EPCG Authorisation                                                                                     | 24 months                                                                                  |
| (v)    | Advance Authorisations (AA) for Deemed Exports                                                         | Co-terminus with contracted duration of project execution or 12 months, whichever is more. |
| (vi)   | AA {except (v) above}, DFIA, Replenishment Authorisation for Gems & Jewellery as per Chapter 4 of FTP. | 12 months from issue date.                                                                 |
| (vii)  | Registration certificate for import/export as per para 1.05 of FTP (Transitional Arrangement)          | Original shipment period as mentioned in the ICLC or as stipulated by DGFT.                |

However, EXIM Facilitation Committee (EFC) and Inter Ministerial Working Group (IMWG) (for SCOMET items) may approve the grant of Export/ Import Authorisation for a shorter / longer duration in specific cases to meet contractual obligations/delivery schedule or on specific recommendation of the concerned Technical / Administrative Ministry / Department / or any other agency.

b) DGFT may decide to issue specific authorisation/ class of authorisations for a longer/shorter validity period. Any extension /revalidation in such cases to be allowed only by DGFT.

### **2.17 Date of reckoning of Import / Export**

- (a) Date of reckoning of import is decided with reference to date of shipment / dispatch of goods from supplying country as given in Paragraph 11.11 of Handbook of Procedures and not the date of arrival of goods at an Indian port.
- (b) Date of reckoning of export is decided with reference to date of shipment / dispatch of goods from India as given in Paragraph 11.12 of Handbook of Procedures. However, for benefit under FTP, Let Export Order (LEO) date shall be the date of reckoning of export.

### **2.18 Validity of Authorisation/ Licence for import/export**

- (a) Authorisations must be valid on the date of import.
- (b) Similarly, export obligation period of an Authorisation must be valid on the date of export. However, AA/ EPCG Authorisation holder(s) may continue to export post the export obligation period at their own risk and responsibility. The affected exports would only be accounted for EO fulfilment only if the authority concerned approves the EO extension.

### **2.19 Validity of Scrips**

Scrips issued under the FTP must be valid on the date on which actual debit of duty is made.

### **2.20 Revalidation of Import / Export Licence Certificate/ Authorisation / Permissions for Non-SCOMET items**

- (a) Import Authorisation, may be revalidated, on merits for a period of six months from date of expiry of validity by the DGFT (HQ).
- (b) Export Authorisation, may be revalidated, on merits for a period of six months a time and maximum upto 12 months by the DGFT (HQ).
- (c) However, revalidation of freely transferable authorisation / duty credit scrips and stock and sale (excluding SCOMET items) authorisation shall not be permitted unless validity has expired while in custody of Customs Authority / RA / Government Authority.
- (d) Revalidation of Authorisation/Duty Credit Scrip shall also be allowed without charging any fee for the period of delay (the period for which authorisation/scrip holder was unable to utilise the same) or six months, whichever is less, due to the following reasons:



- (i) If Authorisation/Scrip or any amendment thereof could not be transmitted to Customs Server within fifteen working days from the date of issue/amendment;
- (ii) If Authorisation/Scrip rejected by Customs server with error Code
- (iii) If request for issue of waiver of Bond/EODC was not considered within the period specified under Para 11.10 of HBP, where complete application was submitted within the validity of the Authorisation.

In such cases, revalidation shall be allowed from the date of endorsement for the period of delay or six months, whichever is less. For example: Authorisation is issued having initial validity of 12 months on 01.04.2017. It was transmitted to Customs server on 01.04.2017 by DGFT server but it is accepted by Customs server on 31.10.2017. So, the Authorisation holder loses 7 months (still 5 months validity is left). In such a case, RA shall allow revalidation for a period of 6 months (validity of 5 months is subsumed) from the date of endorsement.

The applicant shall submit request for endorsement of Authorisation/Scrip along with screen shot of DGFT server as well as Customs Server in support of his claim. RA shall verify the same before revalidation is allowed.

However, request must be made to RA concerned within a month from the date of final acceptance of Authorisation/Scrip in the Customs Server.

Notwithstanding anything contained above, these provisions of revalidation shall not apply wherever, the authorisation/scrip holder had clear 6 months period in hand for utilisation.

### **2.21 Authority to Revalidate**

Such revalidation under Paragraph 2.20 above would be permitted under specific orders of Head of concerned Office and such revalidation would be maximum up to the extent of custody period.

### **2.22 Application for Revalidation**

An application for revalidation of authorisation may be made to the office which has issued the authorisation.

## **PROCEDURE FOR ISSUING DUPLICATE COPIES**

### **2.23 Duplicate copies of Export / Import Authorisation**

Where a physical copy of Authorisation/Permissions/ Licence / Certificate / is lost or misplaced, an application for issue of a duplicate may be made along with self-

declaration, as given in Appendix 2M, to concerned office where the original Licence was issued.

#### **2.24 Documents required for duplicate copy of freely transferable Authorisation**

Duplicate copy of freely transferable Authorisation may be issued against an application accompanied with following documents:

- (i) An application with fee equivalent to 10% of duty saved or duty credit (of unutilized balance).
- (ii) A copy of FIR reporting loss.
- (iii) Self- declaration to indemnify revenue loss, which may be caused on account of issue of such duplicate.

#### **2.25 Exception**

When an Authorisation is lost by a Government agency and a proof to this effect is submitted, documents at serial nos. (i) to (iii) of Paragraph 2.24 above shall not be required. In such cases, revalidation shall be for six months from date of endorsement.

#### **2.26 Mechanism for issuing duplicates**

RA concerned shall obtain a report regarding utilization of such Authorisation from Custom authority at port of registration before issuing duplicate, for balance unutilized.

#### **2.27 Validity of duplicate Authorisation**

Validity of duplicate Authorisation shall be co-terminus with original period. No request shall be entertained if validity has expired.

#### **2.28 Applicability of the provision**

Provision of Paragraph 2.26 and 2.27 shall be applicable for cases covered under both Paragraph 2.23 and 2.24.

### **BANK GUARANTEE /LUT/ CORPORATE GUARANTEE**

#### **2.29 Execution of BG/Legal undertaking for Advance Authorisation/ EPCG Authorisation**

- (a) Before clearance of goods through Customs, Authorisation holder shall execute a BG/LUT with Customs Authorities. In such cases, RA shall endorse the

following condition on the licence/ Authorisation: "BG / LUT as applicable, to be executed with concerned Customs Authorities".

- (b) In case of indigenous sourcing, Authorisation holder shall furnish BG/ LUT to RA as per Customs Circular No.58/2004 dated 31.10.04, as amended from time to time. In case, the firm has already executed BG/LUT for the full value of the licence/ certificate/ authorisation/ permission (covering the items indigenously procured) to the Customs and furnishes proof of the same to Regional Authority (RA), no BG/LUT shall be required to be executed with the RA. The RA concerned shall endorse on the authorisation that the Customs Authority shall release/redeem BG/LUT only after receipt of NOC or EODC from the RA concerned. RA shall endorse a copy of the same along with a forwarding letter to the Customs Authority at the Port of registration for their information and record.
- (c) A status holder or a PSU may also submit Corporate Guarantee in lieu of Bank Guarantee/LUT in terms of the provisions of relevant Customs Circular in this regard.

**2.29 A** Any firm/ company coming under the NCLT proceedings shall make a summary of statement of outstanding export obligations/liabilities under the FTP schemes, indicating duty saved amounts and applicable interest till the date of start of proceedings before the National Company Law Tribunal (NCLT), any penalty imposed under FT (DSR) Act, any other dues such as fee etc., and submit the same to the RA concerned and to NCLT, before the start of NCLT proceedings as part of the statutory filings. The statement of consumption of inputs/procurement of capital goods, attested by chartered engineer/chartered accountant, shall also be submitted along with other documentary details of any partial fulfilment of Export Obligation claimed towards offsetting the duty saved amount.

### **2.30 Advance Payment**

In case, payment is received in advance and export / deemed export takes place subsequently, application for an Authorisation shall be filed within specific period following the month during which exports/ deemed export is made, unless otherwise specified.

### **2.31 Import under Lease Financing**

Import under lease financing shall be available under EOU/ SEZ scheme. Domestic supply of capital goods to eligible categories of deemed exports shall be eligible for benefits of deemed export as in paragraph 7.03 of FTP, even in cases where supplies are under lease financing

### **2.32 Submission of Certified Copies of Documents**

Wherever original documents have been submitted to a different RA / nominated agency or to a different division of same RA, applicant can furnish photocopy of documents duly certified by him in lieu of original.

## **WAREHOUSING FACILITY**

### **2.33 Warehousing Facility**

- (a) Public / Private Customs Bonded Warehouses may be set up in DTA as per Chapter-IX of Customs Act, 1962, to import items in terms of Paragraph 2.36 of FTP. On receipt of goods, such warehouses shall keep these goods for one year without payment of applicable customs duties. Goods can be cleared against Bill of Entry for home consumption, on payment of custom duty and on submission of Authorisation wherever required, after an order for clearance of such goods for home consumption is issued by competent customs authorities. In case of clearance against duty free categories /concessional duty categories, exemption / concession from duty shall be allowed.
- (b) Goods can be re-exported without payment of customs duty provided shipping bill or a bill of export is presented in respect of such goods; and order for export of such goods has been made by competent customs authorities.

## **CERTIFICATES**

### **2.34 Free Sale and Commerce Certificate**

- (a)
  - (i) RAs may issue, on application, Free Sale and Commerce certificate for export of items not covered under Drugs S Cosmetics Act, 1940, which have usage in hospitals, nursing homes and clinics, for medical and surgical purposes and are not prohibited for export. Validity of such certificate shall be two years from date of issue unless otherwise specified.
  - (ii) For items falling under the Drug S Cosmetics Act, 1940, application for issue of Free Sale S Commerce Certificate may be made to the Central Drug Standards Control Organisation (CDSCO)
  - (iii) An application for grant of Free Sale and Commerce Certificate may be made to RA concerned as per format in ANF 2H of Appendices and Aayat Niryat Forms with Annexure A therein. RA shall issue Free Sale and Commerce Certificate as per Annexure B of ANF 2H.
- (b)
  - (i) RAs may also issue, on application, Free Sale and Commerce Certificate for export of any other item which is not restricted or prohibited for export.

Validity of such certificate shall be two years from date of issue unless otherwise specified.

(ii) An application for grant of Free Sale and Commerce Certificate for these items may be made to RA concerned as per format in ANF 2H of Appendices and Aayat Niryat Forms along with Annexure A therein. RA shall issue Free Sale and Commerce Certificate as per Annexure B of ANF 2H.

### **2.35 End User Certificate**

In case of import of any Free/Restricted items in India, if a foreign Government insists on certification of the end user of the item before permitting export of the same from their country. the Regional Authority (RA) may issue an End User Certificate (EUC) as per Appendix 2Q of Appendices and Aayat Niryat Forms. The certificate shall be issued based on an application made under ANF 2J, along with documents prescribed therein. Provided further that, in the case of import of restricted items, the EUC shall be issued by RA only for those items in respect of which a restricted authorisation has been granted by DGFT and is valid. The quantity and value in the EUC should be limited to the quantity and value specified in the said restricted authorisation.

### **2.36 Imports under Indo-US Memorandum of Understanding**

- (a) Import of specified capital goods, raw materials and components, from United States of America (USA) is subject to US Export Control Regulations. US suppliers of such items are required to obtain an export authorisation based on import certificate issued in India. The following are designated Import Certificate Issuing Authorities (ICIA):
- (i) Department of Electronics (DoE), for computer and computer-based systems
  - (ii) Department for Promotion of Industry and Internal Trade (DPIIT), Technical Support Wing (TSW), for organised sector units registered under it, except for computers and computer-based systems;
  - (iii) Ministry of Defence (MoD), for defence related items;
  - (iv) DGFT for small scale industries and entities not covered above as well as on behalf of any of the above;
  - (v) Embassy of India, Washington, DC, on behalf of any of the above.

- (b) Application for an import certificate shall be made in ANF 2K(i). Import certificate in Appendix-2P(I)(a) may be issued by ICIA directly to importer with a copy to (i) Ministry of External Affairs (MEA) (AMS Section), New Delhi, (ii) DoE, New Delhi; and (iii) DGFT.
- (c) However, this import certificate will not be regarded as a substitute for an import authorisation in respect of items mentioned as restricted in ITC (HS) and an import authorisation will have to be obtained for such items.
- (d) India's import and export with regard to USA's unilateral export control items [Crime Control (CC) Items as listed in Appendix 2P(ii)(a) and Regional Security (RS) items as listed in Appendix 2P(ii)(b)] will be governed by the following regulations:

Items listed at both Appendix 2P (ii)(a) and Appendix 2P(ii)(b) will be allowed by DGFT for import from USA provided the importer submits the following documents in ANF 2K(i):

  - (i) documentary proof of Bill of Lading indicating Port of USA,
  - (ii) legal undertaking that goods shall not be exported/ alienated; and
  - (iii) Import is with Actual User condition.
- (e) In case the importer wants to subsequently export the imported items from USA, or any part thereof, such export will require an authorisation from DGFT as per ANF 2K(ii) and Export certificate will be issued in the format Appendix- 2P(i)(b).
- (f) Import /export of such items shall be allowed only through EDI enabled ports of India.

## IMPORTS

### 2.37 Import of Consumer or Other goods as Gifts

- (a) In terms of provisions contained in Paragraph 2.26 of FTP, an application for grant of authorisation for import as gifts of items appearing as restricted for imports in ITC (HS) shall be made to the DGFT as in ANF 2M along with documents prescribed therein.
- (b) Where recipient of a gift is a charitable, religious or an educational institution registered under any law in force, and gift sought to be imported has been exempted from payment of customs duty, such import shall be allowed by customs authorities without an authorisation.

### **2.38 Import of Cheque Books /Ticket Forms etc.**

Indian branches of foreign banks, insurance companies and travel agencies may import cheque books, bank draft forms and travellers' cheque forms without an authorisation. Similarly, airlines / shipping companies operating in India, including persons authorised by such airlines / shipping companies, may import passenger ticket forms without an authorisation.

### **2.39 Import of Reconditioned/ Second Hand Aircraft Spares**

Import Authorisation for reconditioned / second hand aircraft spares is not required subject to NOC/ recommendation of Director General of Civil Aviation (DGCA), Government of India.

### **2.40 Import of Replacement Goods**

Goods or parts thereof on being imported and found defective or otherwise unfit for use or which have been damaged after import, may be exported without an Authorisation, and goods in replacement thereof may be supplied free of charge by foreign suppliers or imported against a marine insurance or marine-cum-erection insurance claim settled by an insurance company. Such goods shall be allowed clearance by the customs authorities without an import Authorisation provided that:

- (a) Shipment of replacement goods is made within 24 months from date of clearance of previously imported goods through Customs or within guarantee period in case of machines or parts thereof where such period is more than 24 months; and
- (b) No remittance shall be allowed except for payment of insurance and freight charges where replacement of goods by foreign suppliers is subject to payment of insurance and / or freight by importer and documentary evidence to this effect is produced while making remittance.

### **2.41 Other Conditions for Import of Replacement Goods**

- (a) In case of short-shipment, short-landing or loss in transit, import of replacement goods will be permitted based on certificate issued by customs authorities without an import Authorisation.
- (b) This procedure shall also apply to cases in which short shipment of goods is certified by foreign supplier, who has agreed to replace free of cost.
- (c) Cases not covered by above provisions will be considered on merits by DGFT for grant of Authorisation for replacement of goods for which an application may be made as per paragraph 2.47 of HBP.



## **2.42 Import of Overseas Office Equipment**

On winding up of overseas offices, set up with approval of RBI, used office equipment and other items may be imported without Authorisation.

## **2.43 Import of Ammunition by Licensed /Authorised Arms Dealers**

- (a) Import of following types of ammunition are allowed against an Authorisation by licensed arms dealers subject to conditions as may be specified:
  - (i) Shotgun Cartridges 28 bore;
  - (ii) Revolver Cartridges of .450, .455 and .45 bores;
  - (iii) Pistol Cartridges of .25, .30 Mauser, .450 and .45 bores;
  - (iv) Rifle Cartridges of 6.5 mm, .22 savage, .22 Hornet, 300 Sherwood, 32/40, .256, .275, .280, 7m/m Mauser, 7 m/m Man Schoener, 9m/m Mauser, 9 m/m Man Schoener, 8x57, 8x57S, 9.3 m/m, 9.5 m/m, .375 Magnum, .405, .30.06, .270, .30/30 Winch, .318, .33 Winch, .275 Mag., .350 Mag., 400/350, .369 Purdey, .450/400, .470, .32 Win, .458 Win, .380 Rook, .220 Swift and .44 Win. bores.
- (b) An import Authorisation shall be issued at 5% of value of annual average sales turnover of ammunition (whether indigenous or imported) during preceding three licensing years subject to a minimum of Rs. 2000.
- (c) An application for grant of an Authorisation for items listed above may be made online to DGFT Hqrs in ANF 2M along with documents prescribed therein.

## **2.44 Duty Free Imports for specific Sectors**

### **(A) RSD Equipment for Pharmaceuticals and Biotechnology Sector:**

- (i) Duty free import of goods (as specified in list 28 of Customs notification No.21/2012 dated 17.3.2012, as amended from time to time) upto 25% of FOB value of exports during preceding licensing year, shall be allowed.
- (ii) The eligible unit may furnish an application given in Appendix-8A to RA concerned duly countersigned by Chartered Accountant.
- (iii) In respect of duty free import of RSD equipment, units not registered with jurisdictional Customs authority shall be allowed to give Installation Certificate issued by an independent Chartered Engineer.



**(B) Agrochemicals Sector:**

- (i) Duty free imports of goods as specified in list 28A of Customs notification No. 21/2012 dated 17.3.2012, upto 1% of FOB value of exports made during preceding licensing year, shall be allowed to agrochemicals sector unit having export turnover of Rs. 20 crore or above during preceding licensing year.
- (ii) The eligible unit shall apply in form given in Appendix-8B to RA concerned duly countersigned by Chartered Accountant.
- (iii) In respect of duty free import of RSD equipment, units not registered with jurisdictional Customs authority shall be allowed to give Installation Certificate issued by an independent Chartered Engineer.

**2.45 Import under Govt. to Govt. Agreements**

Import of goods under Government-to-Government agreements may be allowed without an Authorisation on production of necessary evidence to satisfaction of Customs authorities.

**2.46 Transfer of Imported Goods**

**(a) Cases where prior permission is required:**

Transfer of imported goods which are subject to Actual User condition and have become surplus to needs of Actual User, shall be made only with prior permission of the issuing authority. Following information along with supporting documents shall be furnished with request for grant of permission for transfer, to the issuing authority:

- (i) Reasons for transfer of imported material;
- (ii) Name, address, IEC number and industrial Authorisation registration, if any, of transferee;
- (iii) Description, quantity and value of goods imported and those sought to be transferred;
- (iv) Copies of import Authorisation and bills of entry relating to imports made;
- (v) Terms and conditions of transfer as agreed upon between buyer and seller.

**(b) Cases where prior permission is not required**

- (i) in case of sale or otherwise by importer of freely importable goods;

- (ii) for goods imported with Actual User condition, provided such good is freely importable without Actual User condition on date of transfer
- (iii) for goods with AU Condition after a period of two years from the date of import.
- (iv) for transfer of Imported Firearms (a) after 10 years of import or (b) on attaining the age of 60 years by such importer, subject to condition that transferee fulfils conditions as in Arms Act and Rules there under.
- (v) for transfer of weapon/s (firearm/s) imported by a Renowned Shooter (as defined in Policy Condition 3 of Chapter 93 of ITC (HS) 2022) for the purpose of his/her pursuing shooting as a sport to any upcoming shooter as certified either by the National Rifle Association of India (NRAI) or the Department of Sports, Ministry of Youth Affairs S Sports after two years from the date of import. The transferee can subsequently transfer/resell to any buyer as certified by the NRAI or Department of Sports for the sole purpose of pursuing shooting as a sport after one year from the date of its first sale. Such transfer/sale is subject to the provisions of the Arms Act, 1959 and other rules/regulations by state/local police. NRAI/Department of Sports will maintain the required records.

## **IMPORT OF RESTRICTED ITEMS**

### **2.47 Import /Export of Restricted Items**

- (a) An application for grant of an Authorisation for import or export of items mentioned as 'Restricted' in ITC (HS) may be made online to DGFT Hqrs in ANF 2M /ANF 2N respectively along with documents prescribed therein.
- (b) An application for amendment in import or export Authorisation has be made online to DGFT Hqrs.

### **2.48 EXIM Facilitation Committee**

- (a) Restricted item Authorisation may be granted by DGFT or any other RA authorised by him in this behalf. DGFT / RA may take assistance and advice of a Facilitation Committee while granting authorisation. The Assistance of technical authorities may also be taken by seeking their comments in writing. Facilitation Committee will consist of representatives of Technical Authorities and Departments / Ministries concerned.

- (b) Import/Export authorisations for a restricted item, if so, directed by the competent authority, shall be issued for import/ Export through one of the sea ports or air ports or ICDs or LCS, as per the option indicated, in writing, by the applicant. Authorisation holder shall import at the port specified in the Authorisation and thereafter all imports against said authorisation shall be made only through that port, unless the authorisation holder obtains permission from customs authority concerned to import through any other specified port.
- (c) EXIM Facilitation Committee (EFC) shall normally meet once every month. Where a case has been deferred in EFC for want of comments from the Technical Authorities and Departments /Ministries concerned but subsequently, NOC(s) has / have been received from the concerned agency(ies) with no divergence in views, authorisation shall be issued with the approval of Chairman, EFC and the case shall be brought before EFC in its subsequent meeting for approval on ex-post facto basis.

#### **2.49 Import of Restricted items required by Hotels, Restaurants, Travel Agents, Tour Operators and other Specified Categories**

Items mentioned as restricted for imports in ITC (HS) required by hotels, restaurants, travel agents and tour operators may be allowed against an Authorisation, based on recommendation of Director General, Tourism, Government of India.

- (a) Hotels, including tourist hotels, recognised by Director General of Tourism, Government of India or a State Government shall be entitled to import Authorisation upto a value of 25% of foreign exchange earned by them from foreign tourists during preceding licensing year, for import of essential goods related to hotel and tourism industry.
- (b) Travel agents, tour operators, restaurants, and tourist transport operators and other units for tourism, like adventure/ wildlife and convention units, recognized by Director General of Tourism, Government of India, shall be entitled to import authorisation up to a value of 10% of foreign exchange earned by them during preceding licensing year, for import of essential goods which are restricted for imports related to travel and tourism industry, including office and other equipment required for their own professional use.
- (c) Import entitlement under paragraphs 2.49 (a) and 2.49 (b) of any one licensing year can be carried forward, either in full or in part, and added to import entitlement of two succeeding licensing years.

- (d) Such imported goods may be transferred after 2 years with permission of DGFT. No permission for transfer will be required in case the imported goods are re-exported. However, re-export shall be subject to all conditionality, or requirement of licence, or permission, as may be required under Schedule II of ITC (HS).
- (e) An application for grant of an Authorisation under paragraphs 2.49 (a) and 2.49 (b) may be made in ANF 2M to DGFT Hqrs through Director of Tourism, Government of India.

### **2.50 Import of Restricted items for RSD by units of Government**

All restricted items and items permitted to be imported by STEs, except live animals, required for RSD purpose may be imported without an Authorisation by Government recognized Research and Development units.

#### **2.50 A Procedure for determination of use of forced labour in the production of imported goods**

1. The Director General of Foreign Trade (DGFT) may, suo motu or upon receipt of any information or complaint supported by credible material, undertake an enquiry to ascertain whether any goods imported into India have been produced, wholly or in part, using forced labour.
2. For the purposes of such enquiry, the DGFT may seek such information, documents or clarifications from the importer(s), exporter(s), manufacturer(s) or any other person or authority, as may be considered necessary.
3. During the course of the enquiry, the DGFT may consult the relevant Ministries, Departments or agencies, or other stakeholders, as may be considered necessary.
4. The DGFT may also obtain information or technical inputs from any domestic or international organisation, governmental authority or expert body, wherever considered necessary for the purposes of the enquiry.
5. Upon completion of the enquiry, the DGFT shall prepare a report containing its findings regarding the use of forced labour in the production of the goods under enquiry and may make appropriate recommendations to the Central Government, including recommendations for prohibition of the import of such goods under the Foreign Trade (Development and Regulation) Act, 1992, the Foreign Trade Policy, 2023.

### **2.51 Import of Metallic Waste and Scrap**

Import of any form of metallic waste, scrap will be subject to the condition that it will not contain hazardous, toxic waste, radioactive contaminated waste / scrap containing radioactive material, any type of arms, ammunition, mines, shells, live or used cartridge or any other explosive material in any form either used or otherwise.

- (a) Import of following types of metallic waste and scrap will be free subject to

conditions detailed below:

| Sl. No. | Exim Code       | Item description                                                                                                         |
|---------|-----------------|--------------------------------------------------------------------------------------------------------------------------|
| 1.      | 72041000        | <b>Waste and scrap of cast iron</b>                                                                                      |
| 2.      | 72042190        | <b>Other</b>                                                                                                             |
| 3.      | 72042920        | <b>Of High-speed steel</b>                                                                                               |
| 4.      | 72042990        | <b>Other</b>                                                                                                             |
| 5.      | 72043000        | <b>Waste and scrap of tinned iron or Steel</b>                                                                           |
| 6.      | 72044100        | <b>Turnings, shavings, chips, milling waste, saw dust, fillings, trimmings and stampings, whether or not in bundles.</b> |
| 7.      | 72044900        | <b>Other</b>                                                                                                             |
| 8.      | 72045000        | <b>Re-melting scrap ingots</b>                                                                                           |
| 9.      | 74040012        | <b>Copper scrap</b>                                                                                                      |
| 10.     | 74040022        | <b>Brass scrap</b>                                                                                                       |
| 11.     | 75030010        | <b>Nickel scrap</b>                                                                                                      |
| 12.     | 76020010        | <b>Aluminium scrap</b>                                                                                                   |
| 13.     | 79020010        | <b>Zinc scrap</b>                                                                                                        |
| 14.     | 80020010        | <b>Tin scrap</b>                                                                                                         |
| 15.     | <b>81042010</b> | <b>Magnesium scrap</b>                                                                                                   |

(b) 'Freely' Importable metallic waste and scraps (shredded) as listed above shall be permitted through all ports of India subject to following conditions:

- (i) At the time of the clearance of goods, importer shall furnish to the Customs pre-shipment inspection certificate as per the format to Appendix 2H from any of the Inspection S Certification agencies given in Appendix-2G, to the effect that the consignment was checked for radiation level and scrap does not contain radiation level (gamma and neutron) in excess of natural background. The certificate shall give the value of background radiation level at that place as also the maximum radiation level on the scrap; and
- (ii) Importer shall also furnish copy of the contract with the exporter stipulating that the consignment does not contain any radioactive contaminated material in any form.

(c) Import from Hodaideh, Yemen and Bandar Abbas, Iran will be in shredded form only.

(d) Import of un-shredded compressed and loose form of metallic waste, scrap listed in paragraph 2.51(a) above in shall be subject to the following conditions:

- 
- (i) At the time of the clearance of goods, importer shall furnish to the Customs pre-shipment inspection certificate as per the format in Appendix 2H from any of the InspectionS Certification agencies given in Appendix-2G to the effect that the consignment does not contain any type of arms, ammunition, mines, shells, cartridges, or any other explosive material in any form either used or otherwise, and that the consignment was checked for radiation level and it does not contain radiation level (gamma and neutron) in excess of natural background. The certificate shall give the value of background radiation level at that place as also the maximum radiation level on the scrap.
  - (ii) The imported item (s) is actually a metallic waste/ scrap /seconds /defective as per the internationally accepted parameters for such a classification.
  - (iii) Copy of the contract between the importer and the exporter stipulating that the consignment does not contain any type of arms, ammunition, mines, shells, cartridges, radioactive contaminated, or any other explosive material in any form either used or otherwise.
  - (iv) Import of scrap would take place only through following designated ports and no exceptions would be allowed even in case of EOUs, SEZs: -  
  
1. Chennai, 2. Cochin, 3. Ennore, 4. JNPT, 5. Kandla, 6. Mormugao, 7. Mumbai, 8. New Mangalore, 9. Paradip, 10. Tuticorin, 11. Vishakhapatnam, 12. Pipava 13. Mundra, 14. Kolkata 15. Krishnapatnam and 16. Kattupalli 17. Hazira and 18. Kamarajar.
  - (v) Only entry sea ports will be designated and notified for import of un-shredded Metallic Waste and Scrap subject to the following:
    - (i) Any sea port to be designated for import of un-shredded metallic scrap will be required to install Radiation Portal Monitors and Container Scanner with adequate security. The sea port having completed the above shall approach jurisdictional Customs for inspection and certification. Customs may give necessary clearance on receipt of certification from AERB. On getting clearance from Customs, DGFT will notify such a port as designated port for import of un-shredded scrap.

- (ii) The existing designated sea ports namely Chennai, Cochin, Ennore, JNPT, Kandla, Mormugao, Mumbai, New Mangalore, Paradeep, Tuticorin, Vishakhapatnam, Pipava, Mundra and Kolkata will be allowed to import un-shredded scrap till 30.09.2021 by which time they are required to install and operationalize Radiation Portal Monitors and Container Scanner. Such sea ports which fail to meet the deadline will be derecognised for the purpose of import of un-shredded metallic scrap w.e.f. 01.10.2021
- (iii) Further, any ICD can handle clearance of un-shredded metallic scrap provided the same passes through any of the designated sea ports as mentioned above or any new ports to be notified/designated from time to time, where Radiation Portal Monitors and Container Scanner are in operation and the consignment is subjected to risk-based scanning/ monitoring as per the protocol laid down by Customs.
- (iv) Import consignments of metallic waste and scrap shall be subject to pre-shipment inspection certificate (PSIC) from the country of origin. However, metallic waste and scrap (both shredded and unshredded) imported from safe countries / region i.e., the USA, the UK, Canada, New Zealand, Australia and the EU will not require PSIC if consignments are cleared through eight (8) ports namely, Chennai, Tuticorin, Kandla, JNPT, Mumbai Krishnapatnam, Mundra and Kattupalli. Consignments from these six countries / regions will be accompanied by certificate from the supplier / scrap yard authority to the effect that it does not contain any radioactive materials / explosives. These will however be subject to radiation and explosive checks through portal monitors and container scanner at these ports. Trans-shipments through these countries / regions will not be allowed this facility. Import through remaining eight (8) other ports (for both shredded and unshredded scrap / waste), irrespective of country of origin, will be subject to PSIC.

## **2.52 Recognition as Pre-shipment Inspection Agency (PSIA) and issuance of Pre- shipment Certificate (PSIC)**

- (a) Applications for recognition in respect of PSIAs have to be made online on DGFT Website (<https://dgft.gov.in>) by payment of applicable fee in terms of Appendix 2K of FTP.

- (b) The online applications will be considered by an Inter-Ministerial Committee.
- (c) The recognized PSIAs will be notified under Appendix 2G for a period of three years. At the end of 3 years PSIA has to make a fresh online application for further recognition by DGFT.
- (d) PSIA shall issue PSIC in the format given in Appendix 2H. PSIA shall generate PSICs using the facility provided on the DGFT website.
- (e) A PSIA can also carry out inspections in countries, where it does not have a full-time equipped branch office but which falls within its area of operation, by deputing its Inspectors. However, for such inspections in other countries, the PSIA will be required to give prior intimation to DGFT by sending an email (at psia-travel-dgft@gov.in) and furnishing details of visit / inspection done by the Inspector in PSIC.
- (f) The PSIA applicant(s) may submit online application(s) initially without bank guarantee, as required under S.No.9 of ANF-2L. Their applications would not be rejected only on the ground of non-submission of bank guarantee. Applicants would, however, be required to submit bank guarantee or an equivalent financial instrument, before they are notified as PSIA, by the competent authority.
- (g) Any application for amendment in instruments and/or areas of operation of the existing PSIA has to be made online on the DGFT website.

### **2.53 Responsibility and Liability of PSIA and Importer**

- (a) In case of any mis-declaration in PSIC or mis-declaration in the online application form for recognition as PSIA, the PSIA would be liable for penal action under Foreign Trade (Development S Regulation) Act, 1992, as amended, in addition to suspension/ cancellation of recognition.
- (b) The importer and exporter would be jointly and severally responsible for ensuring that the material imported is in accordance with the declaration given in PSIC. In case of any mis-declaration, they shall be liable for penal action under Foreign Trade (Development S Regulation) Act, 1992, as amended.
- (c) PSIA may generate and upload PSIC online through the DGFT website. The PSIC shall be generated by the PSIA after the required inspection has been carried out. Required Video or photographic evidence is to be uploaded by the PSIA during this online PSIC process. The attested copy of the PSIC (in pdf format) shall have to be uploaded by the PSIA on DGFT website. The certificate shall be issued in prescribed form Appendix 2H



- (d) The PSIA will also be required to take photographs or make video of the inspection carried out, duly capturing the following activities/details:
- (i) Photograph(s) or video clipping of the place of inspection with PSIA inspector (mandatory) and representatives of exporter / importer, if available (optional); with time, date of the inspection (at least 1 photograph or video clipping);
  - (ii) Photograph(s) or video clipping of the testing instrument(s) used for inspection;
  - (iii) Photograph(s) or video clipping of the process of stuffing of containers showing the container number (at least 1 photograph or video clipping per container)
  - (iv) Photograph(s) or video clipping of the sealing process (at least 1 photograph or video clipping per container)
  - (v) One Photo of Inspector shall be captured with empty container in the background having only one door closed (door with container number) and container number shall be clearly readable in that photo. Another photo of Inspector shall be captured with sealed container with same container number on the door clearly readable
  - (vi) Photo of Instrument used for inspection (as indicated at serial no of PSIC) shall be captured along with container seal, having container seal number and instrument serial number, visible in the same photo
- (e) The photographs and/ or video clippings [as per 2.53(d) above] shall be uploaded on DGFT website (<https://www.dgft.gov.inICP/>) by PSIA at the time of issue of PSIC.

#### **2.54 Import of other kinds of metallic waste and scraps**

Import of other kinds of metallic waste and scrap will be allowed in terms of conditions of ITC (HS).

#### **2.55 Imports of seconds and defectives**

Import policy for second and defective, rags, PET bottles /waste, and ships is given in ITC (HS).

#### **2.56 Services of Inspection and Certification Agencies**

Customs or any other Central or State Government authority may avail of services of Inspection and Certification Agencies in Appendix 2I of the Appendices and Aayat Niryat Forms, for certifying residual life as well as valuation / purchase price of capital goods.

### **TARIFF RATE QUOTA SCHEME**

### 2.57 Procedure for import under the Tariff Rate Quota Scheme

- (a) Imports under the Tariff Rate Quota Scheme is governed as per the Customs Notification No. 28/2020-Customs dated 23.06.2020 of Department of Revenue, Ministry of Finance, Government of India as amended from time to time.
- (b) Tariff Rate Quota (TRQ) Imports for Crude Soya-bean oil and Crude Sunflower seed oil shall be allocated during financial year 2022-23 only, up to quantities per year as indicated below.

| Item Description                             | ITC(HS)  | TRQ per Year (in MT) |
|----------------------------------------------|----------|----------------------|
| Crude Soya-bean oil, whether or not degummed | 15071000 | 20,00,000            |
| Crude Sunflower seed oil                     | 15121110 | 20,00,000            |

The duty exemption under the said TRQs may be availed as per the Ministry of Finance (Department of Revenue) Notification No. 30/2022-Customs dated 24.05.2022.

*Note: The procedure for allocation of quota for the year 2022-23 under para 2.57(b) above has already been notified, vide Public Notice No. 10/2015-20 dated 24.05.2022 read with Public Notice Nos.50/2015-20 dated 11.01.2023 and 60/2015-20 dated 01.03.2023.*

### 2.58 Eligible entities for allocation of quota

The following entities shall be eligible for allocation of quota with reference to para 2.57(a) of HBP:

- (a) Milk Powder (Tariff Code No. 0402.10 or 0402.21) and White Butter, Butter oil, Anhydrous Milk Fat (0405): National Dairy Development Board (NDDB), National Cooperative Dairy Federation (NCDF) and National Agricultural Cooperative Marketing Federation of India Ltd. (NAFED).
- (b) Maize (corn) (Tariff Code No. 1005.90): National Agricultural Cooperative Marketing Federation of India Ltd.(NAFED) and State Cooperative Marketing Federations.
- (c) Crude sunflower seed or safflower oil or fractions thereof (Tariff Code No. 1512.11) and Refined rape, colza, canola or mustard oil, other (Tariff Code No. 1514.19 or 1514.99): National Dairy Development Board (NDDB), National Agricultural Cooperative Marketing Federation of India Ltd.(NAFED) and Central Warehousing Corporation (CWC), State Cooperative Marketing Federation S State Cooperative Civil Supplies Corporation.

### **2.59 Conditions applicable on availing quotas**

All eligible entities are eligible to avail quotas subject to the conditions as detailed below:

- (i) All eligible entities desiring availment of quota as mentioned above, may make an online application to EFC in ANF-2M to DGFT, completed application forms along with prescribed documents must be submitted on or before 1st March of each financial year preceding to the year of quota
- (ii) Imports have to be completed before 31st March of financial year i.e. consignments must be cleared by customs authorities before this date.
- (iii) Since import of maize (corn) is through STEs, the allottees of quota i.e., designated agencies in paragraph 2.58 (b) above for this item shall also be granted an import Authorisation for allotted quantities as indicated at Sl. No. 21 (b) of Customs Notification No. 21/2002 dated 1.3.2002 in terms of paragraph 2.21 of FTP.
- (iv) Application fee for these applications shall be paid according to procedure contained in Appendix 2K of Appendices S Aayat Niryat Forms.
- (v) EFC in DGFT will evaluate and allot quota among applicants by 31st March of each financial year preceding to year of quota.

## **EXHIBITS AND SAMPLES**

### **2.60 Exhibits Required for National and International Exhibitions or Fairs and Demonstration**

- (a) Import / Export of exhibits, including the construction and decorative materials, except items in the 'Prohibited' or SCOMET List, required for the temporary stands of foreign / Indian exhibitors at exhibitions, fair or similar show or display for a period of six months on re-export / re-import basis, shall be allowed without an Authorisation on submission of a bond/ security to Customs or ATA Carnet.
- (b) Extension beyond six months for re-export / re-import will be considered by Customs authorities on merits. Consumables such as paints, printed material, pamphlets, literature etc. pertaining to exhibits need not be re-exported/re-imported.

### **2.61 Sale of Exhibits**

- (a) Restricted Items: Sale of exhibits of restricted items, mentioned in ITC (HS), imported for an international exhibition / fair may also be made, without an

Authorisation within bond period allowed for re-export, on payment of applicable customs duties, subject to a ceiling limit of Rs.5 lakh (CIF) for such exhibits for each exhibitor.

- (b) Freely importable items: However, sale of exhibits of items which are freely importable shall be allowed within bond period allowed for re-export on payment of applicable customs duties.
- (c) If goods brought for exhibition are not re-exported or sold within bond period due to circumstances beyond control of importer, Customs Authorities may allow extension of bond period on merits.

### **2.62 Import of Samples**

- (a) No Authorisation shall be required for Import of bonafide technical and trade samples of items restricted in ITC (HS) except vegetable seeds, bees and new drugs. Samples of tea not exceeding Rs.2000 (CIF) in one consignment shall be allowed without an Authorisation by any person connected with Tea industry.
- (b) Duty free import of samples upto Rs.3,00,000 for all exporters shall be allowed as per terms and conditions of Customs Notification.

### **2.63 Exports of Samples / Exhibits**

- (a) Exports of trade and technical samples of freely exportable item shall be allowed without any limit.
- (b) An application for export of samples/exhibits, which are restricted for export, may be made to DGFT as per ANF-2Q.

## **EXPORTS**

### **2.64 Export Policy**

Policy relating to Exports is given in Chapter-2 of FTP. Further, Schedule 2, Appendix-1 of ITC (HS) specifies list of items, which may be exported without an Authorisation but subject to terms and conditions specified.

### **2.65 Gifts / Spares / Replacement Goods**

For export of gifts, indigenous / imported warranty spares and replacement goods in excess of ceiling / period prescribed for exports of Gifts; export of Spares and export of replacement goods in FTP, an application may be made to DGFT in **ANF 2Q**.

### **2.66 Export by post**

In case of export by post, exporter shall submit following documents in lieu of documents prescribed for export by sea/air:

- (a) Bank Certificate of Export and Realisation as in e-BRC in Appendix 2U
- (b) Relevant postal receipt
- (c) Invoice duly attested by Customs Authorities.

### **2.67 Direct negotiation of export documents**

In cases where exporter directly negotiates document (not through authorised dealer) with permission of RBI, he is required to submit following documents for availing of benefits under export promotion schemes:

- (a) Permission from RBI allowing direct negotiation of documents (not required for status holders),
- (b) Copy of Foreign Inward Remittance Certificate (FIRC) as per Form 10-H of Income Tax Department in lieu of BRC, and
- (c) Statement giving details of shipping bills / invoice against which FIRC was issued.

### **2.68 Application for Grant of Export Authorisation/Certificate/Permission for non-SCOMET Items**

An online application for grant of Export Authorisation in respect of restricted items [other than items in Special Chemicals, Organisms, Materials, Equipment and Technologies (SCOMET) List] mentioned in Appendix-3 to Schedule 2 of ITC (HS) Classifications of Export and Import Items may be made in ANF 2N to DGFT (Headquarters) along with documents prescribed therein. EFC shall consider applications on merits for issue of export Authorisation.

## **EXPORT THROUGH STATE TRADING ENTERPRISES (STE)**

### **2.69 Export of Items under (STE)**

An application under ANF 2N for export of items mentioned in ITC (HS) under STE regime may be made online to DGFT Hqrs as per paragraph 2.21 of FTP.

## **PROVISIONS FOR EXPORTERS/OTHER PROVISIONS FOR DOING TRADE AND BUSINESS**

### **2.70 Free of Cost Exports for status holders**

Status holders shall be entitled to export freely exportable items on free of cost basis for export promotion subject to an annual limit of Rs.10 lakh or 2% of average annual export realisation during preceding three licensing years whichever is lower. For Pharma exports, the annual limit would be 2% of the annual export realisation during preceding three licensing years. In case of government supplies and supplies of vaccines and lifesaving drugs to health programmes of international agencies such as UN and WHO-PAHO, the annual limit shall be upto 8% of the average annual export realisation during preceding three licensing years. Such free of cost supplies shall not be entitled to Duty Drawback or any other export incentive under any export promotion scheme.

### **2.71 Admissibility of benefits on payment through insurance cover**

(I) Payment through ECGC cover would count for benefits under FTP.

(II) Payment through General/ Private Insurance companies:

Amount of Insurance Cover for transit loss by General Insurance and Private Approved Insurance Companies in India would be treated as payment realized for exports under various export promotion schemes.

(a) An applicant realizing export proceeds through Insurance Agency will approach the concerned RA with the proof of payment issued by the concerned Insurance Agency. RA after satisfying itself of the bona fide of the claim, will obtain approval of Additional DGFT (EDI) and then will upload the value (in lieu of eBRC value) in EDI system of DGFT for processing of the case.

(b) If the proof of payment issued by the Insurance Agency mentions claim value both in foreign exchange and INR, RA will use the foreign exchange value for processing. If the claim value is mentioned only in equivalent INR, RA will convert this INR value in equivalent US\$ using the exchange rate (published by CBEC) applicable on the date of settlement of insurance claim”.

### **2.72 RBI write-off on export proceeds realization**

Realization of export proceeds shall not be insisted under Foreign Trade Policy, if the Reserve Bank of India (RBI) or any “Authorised Bank” (authorised by RBI for this purpose) writes off the requirement of realization of export proceeds on merits and the exporter produces a certificate from the concerned Foreign Mission of India about the fact of non-recovery of export proceeds from the buyer. However, this would not be applicable in self- write off cases.

### **2.73 Conversion of Shipping Bill from one Scheme to another**

Customs Authorities, after recording reasons in writing, permit conversion of any scheme-shipping bill on which benefit of that scheme has not been availed, in accordance with the Regulations under Customs Act, 1962, and exporter would be entitled to benefit under scheme in which shipment is subsequently converted.

#### **2.74 Offsetting of Export Proceeds**

Subject to specific approval of RBI, any payables, or equity investment made by an Authorisation holder under any export promotion scheme, can be used to offset receipts of his export proceeds. In such cases, offsetting would be equal to realisation of export proceeds and exporter would have to submit following additional documents:

- (a) Appendix-2L in lieu of Bank Realisation Certificate.
- (b) Specific permission of RBI.

#### **PROVISIONS RELATED TO QUALITY CERTIFICATION:**

#### **2.75 Quality Certification**

It has been a constant endeavour to promote quality standards in export product / units manufacturing export product.

##### **Agencies authorised to grant Quality Certification:**

- (a) List of such agencies authorised to grant quality certification is given in Appendix-2I
- (b) For ISO 9000 (Series) and for ISO 14000 (Series), the Agencies accredited with National Accreditation Board for Certification Bodies (NABCB) under Quality Council of India shall be deemed to be authorised under this Policy. List of such accredited agencies is available on the web site [www.qcin.org](http://www.qcin.org) and also provided under Appendix 2I
- (c) The agencies for ISO (9000) Series & ISO 14000 Series have been accredited on further classification of:
  - (i) Quality Management System (QMS)- <http://www.qcin.org> for Quality Management Systems
  - (ii) Environmental Management System (EMS) - <http://www.qcin.org> for Environmental Management system.These agencies are listed in Appendix 2I of the AANF.



- (d) Any agency desirous of enlistment in Appendix 2I may submit their application as per Annexure I to Appendix 2I to the DGFT.

## **2.76 Track and Trace system for export of drug formulations**

--Withdrawn

## **EXPORT PROMOTION COUNCIL (EPC)/ COMMODITY BOARDS**

### **2.77 Registering Authorities**

- (a) Registering Authority is a body notified by DGFT in this regard to register importers/ exporters as its members by issuing RCMC.
- (b) The list of notified Registering Authorities is at Appendix -2T.

### **2.78 Criteria for EPCs as Registering Authorities**

In order to make the EPCs truly democratic and participative in nature and for better governance and transparency, the criteria for them to function as Registering Authority are being laid down as under:

- (a) e-Voting: Electronic Voting would be mandatory for election to the posts of Vice Chairman/Vice President and Executive Committee members with a view to ensuring wider participation.
- (b) Tenure of Elected Heads: The tenure of an elected head shall not be for more than two years. The election of Chairman/President of the EPC shall be via Vice Chairman/Vice President route. However, any member having held the post of Chairman/President and/or Vice Chairman/Vice President may come back as Vice Chairman/Vice President in the same council after a gap of not less than 4 years.
- (c) Directions of the Central Government: EPCs acting as the Registering Authorities shall abide by all directions of the Central Government in respect of promotion and development of international trade.

### **2.79 Registration- cum- Membership Certificate (RCMC)**

- (a) An exporter may, on application given in ANF 2C register and become a member of EPC. On being admitted to membership, applicant shall be granted forthwith Registration-cum-Membership Certificate (RCMC) of EPC concerned, in format given in Appendix 2R. In case an exporter desires to get registration as a



manufacturer exporter, he shall furnish evidence to that effect.

- (b) Prospective / potential exporters may also, on application, register and become an associate member of an EPC.

### **2.80 Applying for RCMC**

(a) While applying for RCMC, an exporter has to declare his main line of business in the application. The exporter is required to obtain RCMC from the Council which is concerned with the product of his main line of business.

(b) In case an export product is not covered by any Export Promotion Council/Commodity Board etc., RCMC in respect thereof is to be obtained from FIEO. Further, in case of multi product exporters, not registered with any EPC, where main line of business is yet to be settled, the exporter has an option to obtain RCMC from Federation of Indian Exporters Organization (FIEO).

(c) In respect of multi product exporters having their head office/ registered office in the North Eastern States, RCMC may be obtained from Shellac S Forest Products Export Promotion Council (except for the products looked after by APEDA, Spices Board and Tea Board).

(d) In respect of exporters of handicrafts and handloom products from the UTs of Jammu S Kashmir and Ladakh, Director, Handicrafts, Government of Jammu S Kashmir is authorised to issue RCMC.

### **2.81 Validity Period of RCMC**

RCMC shall be deemed to be valid from 1st April of licensing year in which it was issued and shall be valid for five years ending 31st March of the licensing year, unless otherwise specified.

### **2.82 Intimation Regarding Change in Constitution of Business of RCMC holder**

In case of change in ownership, constitution, name or address of an exporter, it shall be obligatory on part of RCMC holder to intimate such change to registering authority within a period of one month from date of such change. Registering authority, however, may condone delays on merits.

### **2.83 De- Registration**

Registering authority may de-register an RCMC holder for a specified period for violation of conditions of registration. Before such de-registration, RCMC holder shall be given a show cause notice by registering authority, and an adequate and reasonable opportunity

to make a representation against the proposed de-registration. Upon de-registration, concerned EPC shall intimate the same to all RAs.

#### **2.84 Appeal Against De-registration**

A person aggrieved by a decision of registering authority in respect of any matter connected with issue of RCMC may prefer an appeal to DGFT or an officer designated in this behalf within 45 days against said decision and decision of appellate authority shall be final.

#### **2.85 Directives of DGFT**

DGFT may direct any registering authority to register or deregister an exporter or otherwise issue such other directions to them consistent with and in order to implement provisions of FT (DSR) Act, Rules and Orders made there under, FTP or this Handbook.

#### **2.86 Identity Cards for Importers /Exporters**

- (a) To facilitate collection of Authorisation and other documents from DGFT Hqrs and RA, identity cards (valid for 3 years) may be issued to proprietor/ partners / directors and authorised employees (not more than three), of importers and exporters, upon online application
- (b) In case of limited companies, more than three identity cards can be allotted per company. In case of loss of an identity card, a duplicate card may be issued on the basis of an self-declaration.
- (c) Identity card would be issued electronically with QR code and a Unique Document Identification Number (UDIN) for electronic verification.

#### **2.87 Interview with authorised Officers**

Officers may grant interview at their discretion to authorised representative of importer / exporter. Interviews /clarifications may also be sought through E-mails. Interactions to the extent possible should be through online medium/video conference.

## PREFERENTIAL TRADE AGREEMENTS

### 2.88 Free Trade Agreements (FTAs) / Preferential Trade Agreements (PTAs)

India has always stood for a transparent, equitable, inclusive, predictable, non-discriminatory and rules based international trading system. In this context, India's trade agreements may be seen as a measured and calibrated exposure of the Indian economy to international competition. As of March, 2023; India has signed 13 FTAs and 6 limited Preferential Trade Agreements (PTAs). India is presently engaged in FTA negotiations with some of its trading partners, notable among these FTAs are: India- UK Free Trade Agreement, India-EU Free Trade Agreement and India-Canada Comprehensive Economic Partnership Agreement (CEPA)/Early Progress Trade Agreement (EPTA).

(a) The list of the FTAs that have been signed by India are:

- (i) India - Sri Lanka FTA
- (ii) Agreement on South Asian Free Trade Agreement (SAFTA)
- (iii) Revised Agreement of Cooperation between Government of India and Nepal to control unauthorised trade
- (iv) India - Bhutan Agreement on Trade Commerce and Transit
- (v) India - Thailand FTA - Early Harvest Scheme (EHS)
- (vi) India - Singapore Comprehensive Economic Cooperation Agreement (CECA)
- (vii) India- ASEAN CECA (Goods, Services and Investment)
- (viii) India - South Korea Comprehensive Economic Partnership Agreement (CEPA)
- (ix) India - Japan CEPA
- (x) India - Malaysia CECA
- (xi) India -Mauritius CECPA
- (xii) India -UAE CEPA
- (xiii) India - Australia ECTA
- (xiv) India-European Free Trade Association Trade and Economic Partnership Agreement (India-EFTA TEPA)
- (xv) India-United Kingdom Comprehensive Economic and Trade Agreement (India-UK CETA)
- (xvi) India-Oman Comprehensive Economic Partnership Agreement (India-Oman CEPA)

- (b) The list of Preferential Trade Agreements (PTAs) signed by India are:
- (i) Asia Pacific Trade Agreement (APTA)
  - (ii) Global System of Trade Preferences (GSTP)
  - (iii) India - Afghanistan PTA
  - (iv) India - MERCOSUR PTA
  - (v) India - Chile PTA
  - (vi) SAARC Preferential Trading Arrangement (SAPTA)
- (c) The list of these agreements with the participating countries as well as their entry into force is given in Appendix 2A.
- (d) Fees chargeable for issuance of preferential Certificate of Origin is as detailed in Appendix- 2K. The same would also be applicable as verification fee for Rules of Origin Certificate issued under any Free Trade Agreements, in case of verification as detailed in Appendix- 2K. However, the provision of Tatkal certificate of origin as being provided by some of the agencies would be discontinued. The Certificate of origin will be delivered within 24 hours/1(one) working day of the application made.

## **2.89 Unilateral Tariff Preferences**

Under these schemes, both developed and developing countries grant unilateral tariff preferences to exports from developing countries including Least Developed Countries (LDCs). Some of these schemes are:

### **(A) Generalised System of Preferences (GSP):**

- (a) GSP is a non-contractual instrument by which industrialized (developed) countries unilaterally and based on non-reciprocity extend tariff concessions to developing countries. Following countries extend tariff preferences under their GSP Scheme: (i) United States of America (ii) New Zealand (iii) Belarus (iv) European Union (v) Japan (vi) Russia (vii) Canada (viii) Norway (ix) Australia (only to LDCs) and (x) Switzerland
- (b) GSP schemes of these countries detail sectors / products and tariff lines under which benefits are available, including conditions and procedures governing benefits. These schemes are renewed and modified from time to time. Normally Customs of GSP offering countries require information in Form 'A' (prescribed for GSP Rules of Origin) duly filled by exporters of beneficiary countries and certified by authorised agencies. List of agencies authorised to issue GSP CoO is given in Appendix-2C.
- (c) (i) The European Union (EU) has introduced a self-certification scheme for certifying the rules of origin under GSP from 1.1.2017 onwards. Under the Registered Exporter System (REX), exporters with a REX number are able to self-certify the Statement on Origin of their goods being exported to EU under

the GSP Scheme. The registration on REX is without any fee or charges. The details of the scheme are at Annexure-1 to Appendix-2C.

(ii) The competent Local Authorities would undertake post verification of self-certified Certificate of Origin based on the request of the importers/customs agencies of the importing country and the fee to be charged is detailed in Appendix 2K. Agencies may charge TA and DA, as per government rates, separately from the unit.

(iii) Further, as per the conditions required to avail GSP benefit under self-certification system, the beneficiary country needs to have a verification system of such self-certified certificates of origin. The standard operating procedure for verification of the self-certified e-CoOs, to be followed by all Authorized agencies/Local Administrators is detailed in Annexure-II to Appendix-2C.

**(B) Duty Free Tariff Preference (DFTP) Scheme for LDCs:**

(a) The mandate for Duty Free Quota Free (DFQF) access to Least Developed Countries (LDCs) came from Paragraph 47 of the Hong Kong Ministerial Declaration of December 2005. India became the first developing country to extend this facility to LDCs through its Duty Free Tariff Preference (DFTP) Scheme for LDCs which came into effect in August, 2008 with tariff reductions spread over five years. The Scheme provided preferential market access on tariff lines that comprise 92.5% of global exports of all LDCs.

(b) Subsequently in 2014, the Scheme was modified both with reference to increase in coverage as well as its simplification. This was in response to requests from several LDCs for additional product coverage on lines of their export interest and simplification of the Rules of Origin procedures. Under the new expanded DFTP Scheme, India is granting duty free access on 96.4% of the total tariff lines, thereby retaining only about 3.6% of lines in the Exclusion and Positive Lists. For details Department of Commerce Website. and Customs' Notification No.8/2014 dated 1st April, 2014 may also be referred to in this regard.

**2.90 Certificates of Origin (CoO)**

(a) Certificate of Origin (CoO) is an instrument to establish evidence on origin of goods imported into any country.

- (b) There are two categories of CoO viz
  - (i) Preferential
  - (ii) Non preferential
- (c) The list of authorized agencies to issue Certificate of Origin is notified in Appendix 2B, 2C, 2D and 2E.
- (d) All authorized agencies must accept applications and issue CoOs only via <https://www.trade.gov.in> or such other platform as may be designated by DGFT from time to time. Manual issuance outside of the designated platform is not permissible and may lead to revocation of authorization to issue CoO.

### **2.91 Rules of Origin (Preferential)**

- (a) The rules of origin are the rules that determine the origin of a good for the purpose of exports to a trading partner. Under an FTA, PTA or a unilateral tariff concession, the tariff concessions are granted by an importing country only when these prescribed rules of origin are adhered to. Rules of origin also facilitate in computation of trade statistics and for determination and imposition of trade remedial measures.
- (b) Some of the key criteria used in the determination of the rules of origin are:
  - (i) Wholly obtained
  - (ii) Change in tariff classification
  - (iii) Value addition
  - (iv) Non minimal operations
- (c) For exports under India's FTAs, PTAs and GSP, specified agencies are authorised to issue the certificates of origin, they shall also provide services relating to issue of CoO, including details regarding rules of origin, list of items covered by an agreement, extent of tariff preference, verification and certification of eligibility. The list of these agencies authorised under the various FTAs/ PTAs is given in Appendix 2B
- (d) <<deleted>>
- (e) In case of India- EFTA TEPA and India-UK CETA, Certificates of Origin may also be obtained on the basis of self-declaration by the exporter concerned, in addition to issuance of Certificate of Origin by an authorised agency.

### **2.92 TRQ under FTA/CECA**

Government, from time to time, undertakes commitments for import under Tariff Rate Quota (TRQ) in various FTA/CECA. Accordingly, DGFT notifies the procedure for administration of TRQ from time to time. The Tariff Rate Quotas as existing is as under

**TRQs under various FTAs/PTAs (select items)**

| Description                                                                             | HS No.                         | In-quota rate | Notification                       | TRQ              |
|-----------------------------------------------------------------------------------------|--------------------------------|---------------|------------------------------------|------------------|
| Crude soya oil from Paraguay under India-Mercosur Trade Agreement                       | 1507 10 00                     | 10%           | 57/2009 dated 30/05/2009           | 30,000 MT        |
| Vanaspati, bakery shortening and margarine from Sri Lanka (other than prohibited items) | 1516, 1517 or 1518             | -             | 2/2007- Customs dated 5th Jan 2007 | 2,50,000 MT*     |
| Pepper from Sri Lanka                                                                   | 0904                           | -             | 2/2007- Customs dated 5th Jan 2007 | 2500 MT*         |
| Desiccated Coconut from Sri Lanka                                                       | 08011100                       | -             | 2/2007- Customs dated 5th Jan 2007 | 500 MT*          |
| Articles of apparel and clothing accessories from Sri Lanka                             | 61, 62                         | 5%/10%        | 26/2000-Cus List 3                 | 8 million pieces |
| Tea and preparations thereof from Sri Lanka                                             | 2101                           | 15%/30%       | 26/2000-Cus List 4                 | 15 million kgs.  |
| Vegetable fats (Vanaspati) from Nepal                                                   | -                              | -             | 22/2007-Cus 5th June 2007          | 1 Lakh MT        |
| Acrylic Yarn from Nepal                                                                 | -                              | -             | -do-                               | 10,000 MT        |
| Copper products from Nepal                                                              | Chapter 74 of ITC(HS) and 8544 | -             | -do-                               | 10,000 MT        |
| Zinc Oxide from Nepal                                                                   | -                              | -             | -do-                               | 2500 MT          |

**TRQ under India-Mauritius CECPA (select items)**

| Description                              | HS Code  | In-quota rate | TRQ                 |
|------------------------------------------|----------|---------------|---------------------|
| Fresh: Other                             | 06031900 | 30%           | 15 tons             |
| Pineapples                               | 08043000 | 10%           | 1000 tons           |
| Lichi                                    | 08109060 | 10%           | 250 tons            |
| Vanilla: Neither crushed nor ground      | 09051000 | 10%           | 15 tons             |
| Vanilla: Crushed or ground               | 09052000 | 10%           | 1 ton               |
| Tunas                                    | 16041410 | 0%            | 7000 tons           |
| Other                                    | 16041490 | 0%            | 7000 tons           |
| Other prepared or preserved fish         | 16042000 | 0%            | 7000 tons           |
| Other (Specialty Sugar)                  | 17011490 | 10%           | 15000 tons          |
| Beer made from malt                      | 22030000 | 25%           | 2,000,000 litres    |
| Fruit Wine: Other fermented beverages    | 22060000 | 0%            | 5000 litres         |
| In containers holding 2 l or less: Rum   | 22084011 | 0%            | 1.50 million litres |
| In containers holding 2 l or less: Other | 22084012 | 0%            | 1.50 million litres |



| Description                                  | HS Code                                                            | In-quota rate | TRQ                 |
|----------------------------------------------|--------------------------------------------------------------------|---------------|---------------------|
| Other: Rum                                   | 22084091                                                           | 0%            | 1.50 million litres |
| Other: other                                 | 22084092                                                           | 0%            | 1.50 million litres |
| Articles of Apparel and Clothing Accessories | 6102;6103;6104<br>;6105;6106;6109;<br>6110;6111;6112;<br>6203;6304 | -             | 7.5 million pieces  |

Notification: No. 25/2021-Customs dated 31st March, 2021.

### TRQ under India-UAE CEPA (select items, summarised)

Note: The India-UAE CEPA TRQ schedule provides a phased reduction of tariff rates over multiple years for each HS code, alongside a corresponding annually growing quota volume. The full year-wise concession schedule and TRQ volumes for each item are set out in the notification; a summary of item, HS code, and effective/starting rate is given below.

| HS 8 Code | Description                                                                         | Effective Rate (%) | Tariff Modality (summary)                                                                                                                             |
|-----------|-------------------------------------------------------------------------------------|--------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| 39011010  | Linear low-density polyethylene (LLDPE), ethylene monomer unit $\geq$ 95% by weight | 7.5                | TR of 50% over 5 years; year-wise TRQ from 45,000 MT rising to 86,300 MT, then fixed TRQ of 105,000 MT/yr thereafter; rate reduces from 7.0% to 3.75% |
| 39011020  | Low density polyethylene (LDPE)                                                     | 7.5                | Same modality as above                                                                                                                                |
| 39011090  | Other Polyethylene having a specific gravity of less than 0.94                      | 7.5                | TR of 50% over 5 years; TRQ from 150,000 MT rising to 252,000 MT, then fixed TRQ of 285,000 MT/yr; rate reduces from 7.0% to 3.75%                    |
| 39012000  | Polyethylene having a specific gravity of 0.94 or more                              | 7.5                | Same modality; TRQ from 150,000 MT to 285,000 MT fixed                                                                                                |
| 39014010  | LLDPE, ethylene monomer unit contributes less than 95% by weight                    | 7.5                | TR of 50% over 5 years; TRQ from 45,000 MT to fixed 105,000 MT/yr; rate reduces from 7.0% to 3.75%                                                    |
| 39014090  | Other Ethylene-alpha-olefin copolymers, specific gravity less than 0.94             | 7.5                | Same modality                                                                                                                                         |
| 39019000  | Other polymers of ethylene, in primary sources                                      | 7.5                | TRQ from 11,000 MT to fixed 25,000 MT/yr; rate reduces from 7.0% to 3.75%                                                                             |
| 39021070  | Polypropylene                                                                       | 7.5                | TRQ from 70,000 MT to fixed 158,500 MT/yr; rate reduces from 7.0% to 3.75%                                                                            |
| 39023000  | Propylene copolymers                                                                | 7.5                | TRQ from 50,000 MT to fixed 112,000 MT/yr; rate reduces from 7.0% to 3.75%                                                                            |
| 39029000  | Other polymers of propylene or of other olefins, in primary forms                   | 7.5                | TRQ from 4,000 MT to fixed 9,500 MT/yr; rate reduces from 7.0% to 3.75%                                                                               |
| 39041010  | Emulsion grade PVC resin / PVC Paste resin / PVC dispersion resin                   | 10                 | TRQ (cumulative annual) of 60,000 MT; rate reduces from 9% to 5% over the schedule                                                                    |
| 39041020  | Suspension grade PVC resin                                                          | 10                 | Same modality                                                                                                                                         |



| HS 8 Code              | Description                                                                        | Effective Rate (%) | Tariff Modality (summary)                                                                                             |
|------------------------|------------------------------------------------------------------------------------|--------------------|-----------------------------------------------------------------------------------------------------------------------|
| <b>39041090</b>        | Other Poly (vinyl chloride), not mixed with other substances                       | 10                 | Same modality                                                                                                         |
| <b>39042100</b>        | Non-plasticised poly (vinyl chloride), mixed with other substances                 | 10                 | Rate reduces from 9% to 5%                                                                                            |
| <b>39043010</b>        | Poly (vinyl derivatives)                                                           | 10                 | Rate reduces from 9% to 5%                                                                                            |
| <b>39043090</b>        | Other Vinyl chloride-vinyl acetate copolymers                                      | 10                 | Rate reduces from 9% to 5%                                                                                            |
| <b>39046910</b>        | Poly (vinyl fluoride)                                                              | 7.5                | Rate reduces from 7% to 3.75%                                                                                         |
| <b>39041090 (CPVC)</b> | Chlorinated poly vinyl chloride (CPVC) resin                                       | 10                 | Rate reduces from 9% to 5%                                                                                            |
| <b>39049090</b>        | Other Polymers of vinyl chloride or of other halogenated olefins, in primary forms | 7.5                | Rate reduces from 7% to 3.75%                                                                                         |
| <b>71081100</b>        | Non-monetary gold powder                                                           | 10                 | Absolute duty reduction of 1% over the applied rate; TRQ of 200 tonnes, phased in over 5 years (120 to 200 tonnes/yr) |
| <b>71081200</b>        | Other unwrought forms of non-monetary gold                                         | 10                 | Same modality as above                                                                                                |
| <b>71081300</b>        | Other semi-manufactured forms of non-monetary gold                                 | 10                 | Same modality as above                                                                                                |
| <b>71131910</b>        | Articles of jewellery of gold, unstudded                                           | 20                 | TR of 2.5 Tonnes; rate reduces from 19% to 15%, TRQ rising from 2,100 kg to fixed 2,500 kg/yr                         |
| <b>71131920</b>        | Articles of jewellery of gold, set with pearls                                     | 20                 | Same modality                                                                                                         |
| <b>71131930</b>        | Articles of jewellery of gold set with diamonds                                    | 20                 | Same modality                                                                                                         |
| <b>71131940</b>        | Articles of jewellery of gold, set with other precious and semi-precious stones    | 20                 | Same modality                                                                                                         |
| <b>74081110</b>        | Copper weld wire, cross-sectional dimension > 6mm                                  | 5                  | TEP over 5 years (TRQ of 150% of 3-years moving average volume); rate reduces from 4.0% to 0.0%                       |
| <b>74081190</b>        | Other wire of refined copper, cross-sectional dimension > 6mm                      | 5                  | Same modality                                                                                                         |
| <b>74081910</b>        | Copper weld wire, cross-sectional dimension < 6mm                                  | 5                  | TEP over 5 years (TRQ of 150% of 3-years moving average volume); rate reduces from 4.0% to 0.0%                       |
| <b>74081920</b>        | Welding wire of copper, cross-sectional dimension < 6mm                            | 5                  | Same modality                                                                                                         |
| <b>74081990</b>        | Other wire of refined copper, cross-sectional dimension < 6mm                      | 5                  | Same modality                                                                                                         |

Source notification for the above schedule: as notified under the India-UAE CEPA tariff concession schedule (Table/Appendix as referenced in the CEPA notification).

**Imports of Items under the TRQ of the India-Australia ECTA**

| HS Code             | Item Description                                    | In-Quota Rate (%)   | TRQ Qty CY2022 | TRQ Qty CY2023 onwards |
|---------------------|-----------------------------------------------------|---------------------|----------------|------------------------|
| 07134000            | Lentils                                             | 50% of applied rate | 1,233 MTs      | 1,50,000 MTs           |
| 08021100 / 08021200 | In shell almonds / Shelled almonds                  | 50% of applied rate | 279 MTs        | 34,000 MTs             |
| 08051000 / 08052100 | Oranges / Mandarins (incl. tangerines & satsumas)   | 50% of applied rate | 113 MTs        | 13,700 MTs             |
| 08083000            | Pears                                               | 50% of applied rate | 30 MTs         | 3,700 MTs              |
| 52010020            | Extra Long Staple Cotton (min. 28 mm staple length) | 0% duty             | 419 MTs        | 51,000 MTs             |

*Note: Imports under the above FTA/CECA/ECTA TRQ schemes are permitted subject to the arrangements/procedure laid down in Annexure-I, II, III, IV & V of Appendix-2A.*

**Import of items under Tariff Rate Quota (TRQ) under India Nepal Treaty in term of Para 2.92 of the Handbook of Procedures, 2023**

| Description                           | HS No.                         | In/out of quota rate (%) as per WTO | In/out of quota rate (%) As per Indian | Notification                             | TRQ       |
|---------------------------------------|--------------------------------|-------------------------------------|----------------------------------------|------------------------------------------|-----------|
| Vegetable fats (Vanaspati) from Nepal |                                |                                     |                                        | 9/2003- Customs dated 15th January, 2003 | 1 Lakh MT |
| Acrylic Yarn from Nepa                |                                |                                     |                                        | -do-                                     | 10,000 MT |
| Copper products from Nepal            | Chapter 74 of ITC(HS) and 8544 |                                     |                                        | -do-                                     | 10,000 MT |
| Zinc Oxide from Nepal                 |                                |                                     |                                        | -do-                                     | 2500MT    |

**India-UK (CETA)**

*Vehicle TRQ Tables*

**I(a) ICE Passenger Cars (HS 8703 – CBU)**

| Year | >3000cc | Quota | 1500- | Quota | Up to | Quota | Total Quota |
|------|---------|-------|-------|-------|-------|-------|-------------|
|------|---------|-------|-------|-------|-------|-------|-------------|

|                       | <i>Tariff</i>                |              | <i>2500cc<br/>Tariff</i>           |              | <i>1500cc<br/>Tariff</i>           |              |                    |
|-----------------------|------------------------------|--------------|------------------------------------|--------------|------------------------------------|--------------|--------------------|
| <b>1</b>              | 30.0%                        | 10000        | 50.0%                              | 5000         | 50.0%                              | 5000         | 20000              |
| <b>2</b>              | 25.0%                        | 12500        | 40.0%                              | 6000         | 40.0%                              | 6000         | 24500              |
| <b>3</b>              | 20.0%                        | 15500        | 30.0%                              | 7000         | 30.0%                              | 7000         | 29500              |
| <b>4</b>              | 15.0%                        | 18500        | 20.0%                              | 8000         | 20.0%                              | 8000         | 34500              |
| <b>5</b>              | 10.0%                        | 19000        | 10.0%                              | 9000         | 10.0%                              | 9000         | 37000              |
| <b>6</b>              | 10.0%                        | 16300        | 10.0%                              | 8150         | 10.0%                              | 8150         | 32600              |
| <b>Year</b>           | <b>&gt;3000cc<br/>Tariff</b> | <b>Quota</b> | <b>1500-<br/>2500cc<br/>Tariff</b> | <b>Quota</b> | <b>Up to<br/>1500cc<br/>Tariff</b> | <b>Quota</b> | <b>Total Quota</b> |
| <b>7</b>              | 10.0%                        | 15200        | 10.0%                              | 7600         | 10.0%                              | 7600         | 30400              |
| <b>8</b>              | 10.0%                        | 14100        | 10.0%                              | 7050         | 10.0%                              | 7050         | 28200              |
| <b>9</b>              | 10.0%                        | 13000        | 10.0%                              | 6500         | 10.0%                              | 6500         | 26000              |
| <b>10</b>             | 10.0%                        | 11900        | 10.0%                              | 5950         | 10.0%                              | 5950         | 23800              |
| <b>11</b>             | 10.0%                        | 10800        | 10.0%                              | 5400         | 10.0%                              | 5400         | 21600              |
| <b>12</b>             | 10.0%                        | 9975         | 10.0%                              | 4988         | 10.0%                              | 4988         | 19950              |
| <b>13</b>             | 10.0%                        | 9150         | 10.0%                              | 4575         | 10.0%                              | 4575         | 18300              |
| <b>14</b>             | 10.0%                        | 8325         | 10.0%                              | 4163         | 10.0%                              | 4163         | 16650              |
| <b>15<br/>onwards</b> | 10.0%                        | 7500         | 10.0%                              | 3750         | 10.0%                              | 3750         | 15000              |

The tariff codes to which this TRQ applies are as follows:

**(b) HS Codes**

| <i>HS Code 1</i> | <i>HS Code 2</i> | <i>HS Code 3</i> |
|------------------|------------------|------------------|
| <b>87032110</b>  | 87032391         | 87033199         |
| <b>87032191</b>  | 87032399         | 87033210         |
| <b>87032199</b>  | 87032410         | 87033291         |
| <b>87032210</b>  | 87032491         | 87033299         |
| <b>87032291</b>  | 87032499         | 87033310         |
| <b>87032299</b>  | 87033110         | 87033391         |
| <b>87032310</b>  | 87033191         | 87033399         |

**II(a) Electric/Hybrid/Hydrogen Passenger Cars**

| <i>Year</i>           | <i>Below<br/>£40k</i> | <i>Quota</i> | <i>£40k-<br/>£80k<br/>Tariff</i> | <i>Quota</i> | <i>Above<br/>£80k<br/>Tariff</i> | <i>Quota</i> | <i>Total</i> |
|-----------------------|-----------------------|--------------|----------------------------------|--------------|----------------------------------|--------------|--------------|
| <b>6</b>              | N/A                   | Nil          | 50%                              | 400          | 40%                              | 4000         | 4400         |
| <b>7</b>              | N/A                   | Nil          | 40%                              | 600          | 30%                              | 6000         | 6600         |
| <b>8</b>              | N/A                   | Nil          | 30%                              | 800          | 20%                              | 8000         | 8800         |
| <b>9</b>              | N/A                   | Nil          | 20%                              | 1000         | 15%                              | 10000        | 11000        |
| <b>10</b>             | N/A                   | Nil          | 10%                              | 1200         | 10%                              | 12000        | 13200        |
| <b>11</b>             | N/A                   | Nil          | 10%                              | 1400         | 10%                              | 14000        | 15400        |
| <b>12</b>             | N/A                   | Nil          | 10%                              | 1550         | 10%                              | 15500        | 17050        |
| <b>13</b>             | N/A                   | Nil          | 10%                              | 1700         | 10%                              | 17000        | 18700        |
| <b>14</b>             | N/A                   | Nil          | 10%                              | 1850         | 10%                              | 18500        | 20350        |
| <b>15<br/>onwards</b> | N/A                   | Nil          | 10%                              | 2000         | 10%                              | 20000        | 22000        |

**II(b) HS Codes**

| <b>HS1</b>      | <b>HS2</b> | <b>HS3</b> | <b>HS4</b> |
|-----------------|------------|------------|------------|
| <b>87034010</b> | 87035030   | 87036090   | 87038010   |
| <b>87034030</b> | 87035090   | 87037010   | 87038030   |
| <b>87034090</b> | 87036010   | 87037030   | 87038090   |
| <b>87035010</b> | 87036030   | 87037090   | 87039000   |

**III(a) ICE Goods Vehicles (HS 8704)**

| <b>Year</b>            | <b>In-Quota Duty</b> | <b>Out-of-Quota Duty</b> | <b>Quota Size</b> |
|------------------------|----------------------|--------------------------|-------------------|
| <b>Year 1</b>          | 37.0%                | 41.8%                    | 2500              |
| <b>Year 2</b>          | 29.9%                | 39.6%                    | 2750              |
| <b>Year 3</b>          | 22.9%                | 37.4%                    | 3000              |
| <b>Year 4</b>          | 15.8%                | 35.2%                    | 3250              |
| <b>Year 5</b>          | 8.8%                 | 33.0%                    | 3500              |
| <b>Year 6</b>          | 8.8%                 | 30.8%                    | 3500              |
| <b>Year 7</b>          | 8.8%                 | 28.6%                    | 3500              |
| <b>Year 8</b>          | 8.8%                 | 26.4%                    | 3500              |
| <b>Year 9</b>          | 8.8%                 | 24.2%                    | 3500              |
| <b>Year 10 onwards</b> | 8.8%                 | 22.0%                    | 3500              |

**III(b) HS Codes**

| <b>HS Code 1</b> | <b>HS Code 2</b> | <b>HS Code 3</b> |
|------------------|------------------|------------------|
| <b>87041010</b>  | 87042200         | 87043100         |
| <b>87042100</b>  | 87042300         | 87043200         |

**India-Oman Comprehensive Economic Partnership Agreement (CEPA)**

| <b>HS Code</b>  | <b>Description</b>            | <b>MFN Rate</b> | <b>TRQ Modality</b>                                            |
|-----------------|-------------------------------|-----------------|----------------------------------------------------------------|
| <b>08041010</b> | Dates, Fresh                  | 30%             | TEI with TRQ of up to 2,000 tonnes (cumulative for both lines) |
| <b>08041090</b> | Dates, Other                  | 30%             | –                                                              |
|                 |                               |                 | TR to 25%, MIP of USD 150 per MT                               |
| <b>25151210</b> | Marble and travertine: Blocks | 40%             | and maximum import quota of 100 KTA                            |
|                 |                               |                 | TR to 25%, MIP of USD 25 per sq mtr                            |

| <b>25151220</b> | Marble and travertine: Slabs                           | 40%             | and maximum import quota of 1.5 mn sq mtr per annum                                                   |
|-----------------|--------------------------------------------------------|-----------------|-------------------------------------------------------------------------------------------------------|
| <b>HS Code</b>  | <b>Description</b>                                     | <b>MFN Rate</b> | <b>TRQ Modality</b>                                                                                   |
| <b>29053100</b> | Ethylene Glycol (Ethanediol)                           | 5%              | TR of 50% phased in 5 years (TRQ of 150 KTA)                                                          |
| <b>38170011</b> | Linear Alkylbenzenes                                   | 7.5%            | TR of 50% over 5 years with TRQ                                                                       |
|                 |                                                        |                 | (3-year average import for CY 2018, 19, 21)                                                           |
| <b>38170019</b> | Alkylbenzenes (mixed), Other                           | 7.5%            |                                                                                                       |
|                 | LLDPE – Ethylene monomer                               |                 |                                                                                                       |
| <b>39011010</b> | contributes ≥95% by weight of total polymer content    | 7.5%            | TR of 50% over 5 years (Cumulative TRQ of 150 KTA for 7 TLs phased over 7 years with 75 KT in Year 1) |
| <b>39011020</b> | Low Density Polyethylene (LDPE)                        | 7.5%            |                                                                                                       |
| <b>39011090</b> | Other                                                  | 7.5%            |                                                                                                       |
| <b>39012000</b> | Polyethylene having a specific gravity of 0.94 or more | 7.5%            |                                                                                                       |
|                 | LLDPE – Ethylene monomer                               |                 |                                                                                                       |
| <b>39014010</b> | contributes <95% by weight of total polymer content    | 7.5%            |                                                                                                       |
| <b>39014090</b> | Other                                                  | 7.5%            |                                                                                                       |
| <b>39019000</b> | Other                                                  | 7.5%            |                                                                                                       |
| <b>39021000</b> | Polypropylene                                          | 7.5%            | TR of 50% over 5 years (Cumulative                                                                    |
| <b>39023000</b> | Propylene Copolymers                                   | 7.5%            | TRQ of 75 KTA for 3 TLs phased over 7 years)                                                          |
| <b>39029000</b> | Other                                                  | 7.5%            |                                                                                                       |
| <b>39022000</b> | Poly Iso-Butylene                                      | 7.5%            | TR over 7 years (TRQ up to 125% of                                                                    |

| <b>39031100</b> | Expansible                                              | 7.5%                | 3 FY average volume)<br>TR of 50% over 5<br>years with TRQ (3-<br>year average import<br>for CY 2018, 19, 21) |
|-----------------|---------------------------------------------------------|---------------------|---------------------------------------------------------------------------------------------------------------|
| <b>39031910</b> | Moulding                                                | 7.5%                |                                                                                                               |
| <b>39031990</b> | Powder                                                  | 7.5%                |                                                                                                               |
|                 | Other                                                   |                     |                                                                                                               |
| <b>HS Code</b>  | <b>Description</b>                                      | <b>MFN<br/>Rate</b> | <b>TRQ Modality</b>                                                                                           |
| <b>39033000</b> | Acrylonitrile-<br>Butadiene-Styrene<br>(ABS) Copolymers | 7.5%                |                                                                                                               |
| <b>39041010</b> | Binders for<br>Pigments                                 | 10%                 | TR of 50% over 5 years<br>with TRQ                                                                            |
| <b>39041020</b> | Suspension Grade<br>PVC Resin                           | 10%                 | (3-year average import<br>for CY 2018,                                                                        |

| HS Code         | Description                                   | MFN Rate | TRQ Modality                                                                               |
|-----------------|-----------------------------------------------|----------|--------------------------------------------------------------------------------------------|
| <b>39041090</b> | Other                                         | 10%      | —                                                                                          |
| <b>39042100</b> | Non-Plasticised                               | 10%      | —                                                                                          |
| <b>39042200</b> | Plasticised                                   | 10%      | —                                                                                          |
| <b>39043010</b> | Poly (Vinyl Derivatives)                      | 10%      | —                                                                                          |
| <b>39043090</b> | Other                                         | 10%      | —                                                                                          |
| <b>39044000</b> | Other Vinyl Chloride Copolymers               | 10%      | —                                                                                          |
| <b>39046910</b> | Poly (Vinyl Fluoride)                         | 7.5%     | —                                                                                          |
| <b>39049010</b> | Chlorinated Poly Vinyl                        | 10%      | —                                                                                          |
| <b>39049090</b> | Other (CPVC Resin)                            | 7.5%     | —                                                                                          |
| <b>39076110</b> | PET Flake (Chip) – Viscosity Number ≥ 78 ml/g | 7.5%     | TR of 50% over 5 years with TRQ (cumulative 10 KT phased over 5 years)                     |
| <b>39076190</b> | Other Primary Form                            | 7.5%     | —                                                                                          |
| <b>39076930</b> | PET Flake (Chip)                              | 7.5%     | —                                                                                          |
| <b>39095000</b> | Polyurethanes                                 | 7.5%     | TR of 50% over 5 years with TRQ (based on 3-year average imports for CY 2018, 2019 & 2021) |
| <b>68022110</b> | Marble Blocks/Tiles                           | 40%      | TR to 25% in 3 years; Cumulative TRQ of 1.5 million sq. mtr for 3 tariff lines             |
| <b>68022120</b> | Marble Monumental Stone                       | 40%      | TR to 25% in 3 years; Cumulative TRQ of 1.5 million sq. mtr for 3 tariff lines             |
| <b>68022190</b> | Other                                         | 40%      | TR to 25% in 3 years; Cumulative TRQ of 1.5 million sq. mtr for 3 tariff lines             |
| <b>74081110</b> | Copper Weld Wire                              | 5%       | TEP over 5 years with TRQ of 150%                                                          |

|                                                                                                                                                         | (Diameter > 6 mm)                                              |          | of 3-year moving average volume                                                                                                                        |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|----------|--------------------------------------------------------------------------------------------------------------------------------------------------------|
| HS Code                                                                                                                                                 | Description                                                    | MFN Rate | TRQ Modality                                                                                                                                           |
| <b>74081190</b>                                                                                                                                         | Other                                                          | 5%       | TEP over 5 years with TRQ of 150% of 3-year moving average volume                                                                                      |
| <b>74081910</b>                                                                                                                                         | Copper Weld Wire (Diameter ≤ 6 mm)                             | 5%       | TEP over 5 years with TRQ of 150% of 3-year moving average volume                                                                                      |
| <b>74081920</b>                                                                                                                                         | Welding Wire                                                   | 5%       | TEP over 5 years with TRQ of 150% of 3-year moving average volume                                                                                      |
| <b>74081990</b>                                                                                                                                         | Other                                                          | 5%       | TEP over 5 years with TRQ of 150% of 3-year moving average volume                                                                                      |
| <b>76011010</b>                                                                                                                                         | Ingots (Aluminium, Unwrought, Not Alloyed)                     | 7.5%     | TEP over 10 years with TRQ based on preceding 3-year moving average imports (Years 1–3); 115% of preceding 3 years' TRQ utilisation from Year 4 onward |
| <b>76012010</b>                                                                                                                                         | Ingots (Aluminium Alloys, Unwrought)                           | 7.5%     | Same as above                                                                                                                                          |
| <b>76012020</b>                                                                                                                                         | Billets (Aluminium Alloys, Unwrought)                          | 7.5%     | Same as above                                                                                                                                          |
| <b>76051100</b>                                                                                                                                         | Aluminium Wire (Not Alloyed), Cross-sectional Dimension > 7 mm | 7.5%     | Same as above                                                                                                                                          |
| <i>TEI = Tariff Elimination Immediate; TEP = Tariff Elimination Phased; TR = Tariff Reduction; TRQ = Tariff Rate Quota; KTA = Kilo Tonnes per Annum</i> |                                                                |          |                                                                                                                                                        |



### **2.93 Rules of Origin (Non-Preferential)**

(a) Rules of Origin (Non-Preferential) criteria are as under:

(i) Goods are to be manufactured by the exporting entity as per the definition of “Manufacture” in Paragraph 11.31 of FTP; and

(ii) If imported inputs (Duty Paid or Duty Free) have been used for the production of export product, the export product can be considered to be originating in India (Non-Preferential) only if the imported inputs undergo the processing/ operations that exceed the following:

(i) simple operations consisting of removal of dust, sifting or screening, sorting, classifying, matching (including the making-up of sets of articles), washing, painting, cutting;

(ii) changes of packing and breaking up and assembly of consignments;

(iii) simple cutting, slicing and repacking or placing in bottles, flasks, bags, boxes, fixing on cards or boards, and all other simple packing operations;

(iv) operations to ensure the preservation of products in good condition during transport and storage (such as drying, freezing, keeping in brine, ventilation, spreading out, chilling, placing in salt, sulphur dioxide or other aqueous solutions, removal of damaged parts, and like operations);

(v) affixing of marks, labels or other like distinguishing signs on products or their packaging;

(vi) simple mixing of products;

(vii) simple assembly of parts of products to constitute a complete product;

(viii) disassembly;

(ix) slaughter which means the mere killing of animals; and

(x) mere dilution with water or another substance that does not materially alter the characteristics of the products.

(b) Government has also nominated certain agencies to issue Non-Preferential Certificate of Origin (CoO). These CoOs evidence origin of goods and do not bestow any right to preferential tariffs. List of notified agencies is provided in Appendix-2E. In addition, agencies authorised to issue Preferential CoO are also authorised to issue Non-Preferential CoO.

(c) Exporters required to obtain a Non-Preferential Certificate of Origin (CoO) must submit their applications online via <https://www.trade.gov.in> to any of the agencies listed in Appendix 2E.

(i) Copy of Invoice and packing list is required to be uploaded along with the online application.

(ii) Fee of Rs.200/- is applicable for each Certificate of Origin including attestation of any additional documents.

(d)

(i) The issuing agency would ensure that goods are of Indian origin as per criteria defined at para (a) above before granting an eCoO (Non-Preferential). Certificate shall be issued as per format specified at Annexure-II of Appendix 2E.

(ii) **Any correction in an existing eCoO may be requested online as an in-lieu CoO application to the issuing agency.**

(iii) Any agency desirous of enlistment under Appendix-2E may submit their application as per Annexure-I to Appendix 2E to DGFT.

(e) No n-preferential - Self Certification: Manufacturer exporters who are also Status Holders shall be eligible to self-certify their goods as originating from India, if goods qualify the criteria, as laid down in (a) above, as per Annexure-III to Appendix 2E.

(f) **Agencies may issue Back-to-Back Certificates of Origin (Non-Preferential) for goods not of Indian origin for re-export, trans-shipment, merchanting trade purposes. These certificates shall be issued based on documentary evidence confirming the goods' origin based on the foreign country of origin. The details of the supporting documentary evidence and the Country of Origin must be explicitly mentioned on the back-to-back CoO (NP) issued.**

## **2.94 Approved Exporter Scheme (AES) for self-certification**

Details of the Scheme are provided in Appendix 2F of ANF.

## **POLICY INTERPRETATION AND RELAXATIONS**

### **2.95 Application to PIC**

Application for seeking interpretation of any policy provision shall be made in **ANF-2F** to Policy Interpretation Committee (in the Hqrs.) under Para 2.58(b) of FTP.

### **2.96 Application to PRC**

- (a) Application to the Policy Relaxation Committee (PRC) under Para 2.59 FTP is to be made online in ANF-2D with the prescribed fee and documents. Similarly, under Para 2.60 of FTP, application for review of decision of any committee or a decision/order by any subordinate Authority in the Directorate General of Foreign Trade is required to be submitted online in ANF-2E.
- (b) Director General of Foreign Trade shall be the Chairman of PRC with all Additional DGFTs, all Joint DGFTs in charge of Policy Divisions in Hqrs as members. The Additional/Joint DGFT (PRC) shall act as Member Secretary; and the Committee can Co-opt member/s with specific expertise/experience as and when required.

### **2.97 Application to EPCG Committee**

- (a) Application to the Export Promotion Capital Goods (EPCG) Committee under Para 2.59 of FTP is to be made online in ANF-2D with the prescribed fee in terms of Appendix-2K with required documents.
- (b) Additional DGFT in-charge of EPCG shall be the Chairman of the EPCG Committee, with Joint DGFT (EPCG) as Member Secretary and official from Department of Revenue as member. Representative(s) from concerned line Ministry / Department may be co-opted as member, as and when required.