TO BE PUBLISHED IN THE GAZETTE OF INDIA EXTRAORDINARY
(PART –1, SECTION-1)
GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY

PUBLIC NOTICE NO 37 (RE-01)/ 1997-2002
NEW DELHI, the 17th September 2001

In exercise of powers conferred under Paragraph 4.11 of the Export and Import Policy 1997-2002, as notified in the Gazette of India extraordinary, Part-II Section 3, Sub section (ii) vide S.O. No.283(E) dated 31.03.1997, the Director General of Foreign Trade hereby makes the following amendment in Handbook (Vol 1).(RE-01), 1997-2002.

1) Paragraph 7.28 A (i), (ii) and (iii) are amended as under:

(i) If the export obligation is fulfilled in terms of value but there is a shortfall in terms of quantity, the licence holder shall, for the regularisation, pay:-

(a) To the customs authority, customs duty on the unutilised value of the imported material alongwith interest at the rate of 24% per annum thereon; and

(b) An amount equivalent to 3% of the CIF value of unutilised imported material through a TR in the authorised branch of the Central Bank of India indicating the "Head Account: 1453 – Foreign Trade and Export Promotion and Minor head: 102". However, the provision of this sub-paragraph (b) shall not be applicable if the unutilised imported material was freely importable on the date of import.

(ii) If the export obligation is fulfilled in terms of quantity but not value, no penalty shall be imposed provided the licence holder has achieved the minimum prescribed value addition/positive value addition as the case may be. However, if the value addition falls below the minimum prescribed/positive, the licence holder shall be required to deposit an equivalent amount through TR in the authorised branch of Central Bank of India indicating the "Head Account: 1453 – Foreign Trade and Export Promotion and Minor head: 102" so that 100 times the deposited amount and the FOB value realised in Indian rupees together account for minimum prescribed value addition or positive value addition, as the case may be, over the CIF value.

(iii) If the export obligation is not fulfilled both in terms of quantity and value, the licence holder shall, for the regularisation, pay as per (i) and (ii) above.

2) "The second para of Paragraph 7.28 (B)is amended to read as:

Quantity based/Value based licences issued as per Export and Import Policy, 1992-97, shall be governed, for the purpose of regularisation, in accordance with the provisions of that Policy/ Procedures, 1992-97 (RE.96).

However, in such cases also, the license holder shall be required to furnish Bank certificate of Exports and realisation showing realisation of export proceeds. For valuewise shortfall, no penalty shall be imposed provided he has achieved the minimum prescribed value addition. Quantitywise shortfall shall be regularised as per paragraph 7.28A(i).

However, in case he fails to achieve minimum prescribed value addition, he shall be required to deposit an equivalent amount through TR in the authorised branch of Central Bank of India indicating the "Head Account: 1453 – Foreign Trade and Export Promotion and Minor head: 102" so that 100 times the deposited amount and the FOB value realised in Indian rupees together account for minimum prescribed value addition over the CIF value.

3) The first sentence of S.No 2 of paragraph 7.51 is amended as under:
"An application fee equivalent to 10% of the DEPB entitlement or 3.5% of the DFRC entitlement (as the case may be) in respect of the lost Shipping Bills.:

4) The following amendments/ corrections shall be made in Appendix 28 A which pertains to the DEPB rate list

(i) Product Group – Engineering (Product Code No 61)

(a) The following entries are amended as under:

S.No	Export Product	DEPB Rate	Value Cap for DEPB entitlement
315	Laminated Leaf Springs/ Springs	14.00	Rs 60/ kg

(b) The following entries are added as under:

S.No	Export Product	DEPB Rate	Value Cap for DEPB entitlement
615	Sewing machine part – shuttle hook	15.00	Rs 175/ kg
616	Cold Rolled Alloy/ Non Alloy Steel Hardened and Tempered Saw Blades	2.00	
617	Electrical Wiring Accessories / Components made of Phosphors Bronze	15.00	Rs 300/ kg
618	Textile Machinery Spare Parts – Perforated Nickel Screen	2.00	

(ii) Product Group – Chemicals (Product Code No 62)

(a) The following entries are amended as under:

S.No	Export Product	DEPB Rate	Value Cap for DEPB entitlement
491	Single/ Multi Coloured Printed Books, with/ without Soft/ Hard, PVC/ BOPP Laminated Jacket Cover	14.00	Rs 65/ kg
494	Ruled/ Unruled / Printed with soft/ hard cover with or without PVC/ BOPP Jacket/ Laminated stationery items like Exercise Book/ Diary/ Note Book/ Register/ Writing Pad/ Drawing Book	14.00	Rs 55/ kg

(b) The following entry is corrected as under:

538	Butyl Tubes, other than cycle tubes	19.00	Rs 120/ kg

(c) The following entries are added as under:

S.No	Export Product	DEPB Rate	Value Cap for DEPB entitlement
1010	Printing Ink Cyan	17.00	Rs 75/ kg
1011	Printing Inks in various colours other than black with organic pigment content 14 +/- 2%	12.00	
1012	Pyridine Hydrobromide	16.00	Rs 155/ kg

(iii) Product Group – Textiles (Product Code No: 89)

(b) The following entry is added as under:

S.No	Export Product	DEPB Rate	Value Cap for DEPB entitlement
82	Wool Tops	10.00	

A second para is added to the NOTE under the Product Group – Textiles as under:
"In case of blended Textiles, if the fibre content of one type is more than 95%, the DEPB rate of the blended item would be the same as that of the particular fibre. However if no fibre constitutes 95% or more of the blend, the DEPB rate would be the lowest amongst the different fibres ignoring those with less than 5% in the blend. DEPB rates would not be denied to composite items provided the value of the extra material is upto 5% of the total value and a DEPB rate exists for the fibre comprising a value of 95% or more of the composite."

5) The following addition is made at S.No 4 under the State Head "Meghalaya" of Appendix 51 B pertaining to the "List of Agencies Authorised to issue Certificates of Origin – Non Preferential".

MEGHALAYA

4. Meghalaya International Exporters Chamber of Commerce (MIECC)
   Dawki
   Jaintia Hills

This issues in public interest.

Sd/
(N.L.Lakhanpal)
Director General of Foreign Trade

Copy to all concerned,
By orders etc.

(Bipin Menon)
Dy. Director General of Foreign Trade

(File No: 01/94/180/051/AM02/PCIV)

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