

# *Staying Updated*

## Customs, FTP and WTO newsletter

March 2015: Volume 17 Issue 12

**pwc**

### In the issue

Customs

Foreign trade policy (FTP)

Anti-dumping duty

Contacts

### *In the issue*

#### **Customs**

##### ***Notifications and circulars***

- Customs Tariff (Determination of Origin of Products under the Duty Free Tariff Preference Scheme for Least Developed Countries) Rules, 2015 has been introduced

##### ***Case law***

##### ***Valuation***

- Value of goods could not be enhanced without reference to a contemporaneous bill of entry or NIDB data showing higher import value of similar goods
- Once the transaction value of the goods was rejected, then value had to be determined sequentially following rules 4 to 8

##### ***Others***

- Custom House Agent held not responsible in case of any mis-declaration in the nature of goods by the exporter which was not apparent from physical view of the product

### *Foreign trade policy*

#### ***Notifications and circulars***

- The Central Government has notified the list of three mandatory documents required for exports and imports of goods
- The list of specified goods, services and technologies covered under Special Chemicals, Organisms, Materials, Equipment and Technologies (SCOMET) has been amended

##### ***Case law***

- Once DGFT had issued the EODC, the retention of bank guarantees/ pay orders held not permissible under law

### *Anti-dumping duty*

- Anti-dumping duty levied on imports of Tyre Curing Presses, except Six Day Light Curing Press, for curing bicycle tyres, originating in or exported from the People's Republic of China, up to 7 January, 2016
- Anti-dumping duty levied on imports of Sheet Glass, originating in or exported from the China PR for a period of five years from 13 March, 2015

## Customs

### Notifications and circulars

- The Central Government has notified the Customs Tariff (Determination of Origin of Products under the Duty Free Tariff Preference Scheme for Least Developed Countries) Rules, 2015 for determination of origin of products being imported from least developed countries.

*(Notification No. 29/2015-Customs (NT) dated 10 March, 2015)*

- The Central Government has instructed the field formation to strictly implement the Steel and Steel Products (Quality Control) Order, 2012 and Steel and Steel Products (Quality Control) Second Order, 2012 with respect to import of steel and steel products.

*(Circular No. 8/2015-Customs dated 24 March, 2015)*

### Case law

#### Valuation

- In *CC v Virasat Electronics* (2015 (317) ELT 295), the Delhi Tribunal held that the value of goods could not be enhanced without reference to a contemporaneous bill of entry or NIDB data showing higher import value of similar goods.

- The Mumbai Tribunal, in the case of *Armstrong World Industries (I) Pvt Ltd v CC* (2015 (317) ELT 324), held that once the transaction value of the goods was rejected, value had to be determined sequentially following rules 4 to 8.
- In *CC v Reliance Industries Ltd* (2015-TIOL-358-CESTAT-AHM), the Ahmedabad Tribunal held that the assessable value of LNG had to be determined on the basis of quantity of LNG ex-ship delivered in India, at the contracted price arrived at on the basis of an agreement, and not on the basis of LNG quantity declared in Bill of Entry.

#### Others

- The Supreme Court of India, in *Aidek Tourism Services Pvt Ltd v CC* (2015-TIOL-23-SC-CUS), held that import of saloon cars used as tourist taxi, were eligible for exemption and refund of 10% of CVD under Notification No. 64/93-Central Excise.
- In *CC v Moriks Shipping and Trading (P) Ltd* (2015 (317) ELT 3), the Madras High Court held that the Custom House Agent was not responsible in case of any mis-declaration in the nature of goods by the exporter which was not apparent from physical view of the product.

---

In the issue

**Customs**

Foreign trade policy (FTP)

---

Anti-dumping duty

---

Contacts

---

- The Mumbai Tribunal, in the case of *Pratibha Syntex Ltd v CC (Export)* (2015 (317) ELT 333), held that the exporter was not liable for penalty in case the shipping line made any procedural lapse without the knowledge of export.

## Foreign trade policy

### Notifications

- The Central Government has notified three mandatory documents required for exports and imports of goods.

*(Notification No. 114(RE-2013)/2009-14 dated 12 March, 2015)*

- The Central Government has amended the list of specified goods, services and technologies covered under Special Chemicals, Organisms, Materials, Equipment and Technologies (SCOMET) list, the export of which can be made only after obtaining licence from DGFT.

*(Notification No. 116(RE-2013)/2009-14 dated 13 March, 2015)*

- The Central Government has added the following two new ports from where new vehicles can be imported into India:
  - Kattupalli Port; and
  - APM Terminals, Pipavav Port

*(Notification No. 117(RE-2013)/2009-14 dated 13 March, 2015)*

### Case law

- The Bombay High Court, in Sampark Industries Ltd v Union of India (2015 (317) ELT 5), held that once the Directorate General of Foreign

Trade(DGFT) had issued the Export Obligation Discharge Certificate (EODC), the retention of bank guarantees/ pay orders was not permissible under law.

- In CC v Dornier India Medical Systems Pvt Ltd (2015 (317) ELT 114), the Chennai Tribunal held that Customs duty cannot be paid by utilising Duty Entitlement Pass Book scrips on clearance of capital goods when there was a Public Notice specifically disallowing the same.
- In Scheffels International Pvt Ltd v Union of India (2015 (317) ELT 209), the Calcutta High Court held that if there was no accrual of foreign exchange from the overseas buyer and the export loss was covered for payment by the Export Credit Guarantee Corporation, duty drawback could not be claimed unless there was a specific exemption.
- The Chennai Tribunal, in Larsen and Toubro Ltd v CC (2015-TIOL-501-CESTAT-MAD), held that the conversion of a shipping bill from DEPB scheme to advance licence scheme was allowed where there was documentary evidence in existence at the time of export, showing intention to claim benefit under advance licence scheme.

In the issue

Customs

Foreign trade policy (FTP)

Anti-dumping duty

Contacts

## ***Anti-dumping duty***

### ***Notifications***

- The Central Government has extended the levy of anti-dumping duty on imports of Tyre Curing Presses, except Six Day Light Curing Press, for curing bicycle tyres, falling under Customs Tariff Heading 84774100, originating in or exported from the People's Republic of China, up to 7 January, 2016.

*(Customs (ADD) Notification No. 06/2015 dated 3 March, 2015)*

- The Central Government has levied anti-dumping duty on imports of Sheet Glass, falling under chapter 70, originating in or exported from the China PR, for a period of five years from 13 March, 2015.

*(Customs (ADD) Notification No. 07/2015 dated 13 March, 2015)*

---

In the issue

---

Customs

---

Foreign trade policy (FTP)

---

**Anti-dumping duty**

---

Contacts

---

## Contacts

In the issue

CENVAT

Service tax

VAT/Entry tax/Sales tax

### Contacts

#### **Delhi**

Vivek Mishra/Gautam Khattar  
Ph: +91 (124) 3306000

#### **Mumbai**

Dharmesh Panchal/S Satish  
Ph: +91 (22) 6689 1000

#### **Kolkata**

Pulak Saha  
Ph: +91 (33) 4404 3098

#### **Bangalore**

Pramod Banthia  
Ph: +91 (80) 4079 6000

#### **Hyderabad**

Ananthanarayanan S  
Ph: +91 (40) 4424 6363

#### **Chennai**

Harisudhan M  
Ph: +91 (44) 4228 5000

#### **Pune**

Nitin Vijaivergia  
Ph: +91 (20) 4100 4444

#### **Ahmedabad**

Dharmesh Panchal/Niren Shethia  
Ph: +91 (22) 6689 1000

### **About PwC**

PwC\* helps organisations and individuals create the value they're looking for. We are a network of firms in 157 countries with more than 195,000 people who are committed to delivering quality in assurance, tax and advisory services.

PwC India refers to the network of PwC firms in India, having offices in: Ahmedabad, Bangalore, Chennai, Delhi NCR, Hyderabad, Kolkata, Mumbai and Pune. For more information about PwC India's service offerings, please visit [www.pwc.in](http://www.pwc.in).

\*PwC refers to PwC India and may sometimes refer to the PwC network. Each member firm is a separate legal entity. Please see [www.pwc.com/structure](http://www.pwc.com/structure) for further details.

Tell us what matters to you and find out more by visiting us at [www.pwc.in](http://www.pwc.in)



For private circulation only

This publication does not constitute professional advice. The information in this publication has been obtained or derived from sources believed by PricewaterhouseCoopers Private Limited (PwCPL) to be reliable but PwCPL does not represent that this information is accurate or complete. Any opinions or estimates contained in this publication represent the judgment of PwCPL at this time and are subject to change without notice. Readers of this publication are advised to seek their own professional advice before taking any course of action or decision, for which they are entirely responsible, based on the contents of this publication. PwCPL neither accepts or assumes any responsibility or liability to any reader of this publication in respect of the information contained within it or for any decisions readers may take or decide not to or fail to take.

© 2015 PricewaterhouseCoopers Private Limited. All rights reserved. In this document, "PwC" refers to PricewaterhouseCoopers Private Limited (a limited liability company in India having Corporate Identity Number or CIN : U74140WB1983PTC036093), which is a member firm of PricewaterhouseCoopers International Limited (PwCIL), each member firm of which is a separate legal entity.