

Staying Updated

Customs, FTP and WTO newsletter

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In the issue

Customs

Foreign trade policy (FTP)

Anti-dumping duty

Contacts

In the issue

Customs

Notifications and circulars

- The Central Government has notified Kathuwas and Mandhan Village, District Alwar as Inland Container Depots (ICD's) for unloading of imported goods and loading of export goods.
- The Central Government has appointed Shri Vinay Chhabra as the Director General (Safeguard).

Case law

Valuation

- Ship demurrage charges are not includable in assessable value for levy of Customs duty on imported goods.
- Import of parts in SKD condition under different bills of entry for tax management would be classified as complete units.

Other

- Customs duty is payable on the quantity received into India and not on quantity exported from supplier countries.
- Exemption available to "Base Transreceiver Station (BTS)" also available to the antenna and installation material used in the BTS since these are an integral

part of the BTS without which the BTS would not even function.

Foreign trade policy

Notifications and circulars

- The procedure for filing application under MEIS and SEIS by units located in SEZs and EOU has been further clarified.

Case law

- Central Government cannot impose anti-dumping duty with respect to imports made during the period between the expiry of the provisional anti-dumping duty and the imposition of the final anti-dumping duty.
- For issues related to denial of duty drawback, appeal shall be made with the Government of India and not before Tribunal.

Anti-dumping duty

Notifications and circulars

- Levy of Anti-dumping duty extended on imports of specified Phosphoric Acid, originating in or exported from Korea RP, for a period of five years from 24 August, 2015.
- Levy of Anti-dumping duty extended on imports of acrylonitrile butadiene rubber, originating in or exported from Kora RP, for a period of five years from 04 September, 2015.

Customs

Notifications and circulars

- The Central Government has appointed Shri Vinay Chhabra as the Director General (Safeguard) with effect from 07 September 2015

(Notification No. 91/2015-Customs (N.T.) dated 07 September, 2015)

- The Central Government has notified Kathuwas and Mandhan Village, District Alwar as Inland Container Depots (ICD's) for unloading of imported goods and loading of export goods

(Notification No. 85/2015-Customs (N.T.) dated 04 September, 2015)

Case law

Valuation

- The Tribunal, in CC. v Grasim Industries. (2015 (323) ELT 181), held that ship demurrage charges are not includable in assessable value for levy of Customs duty on imported goods.
- In CC. v Pundrick Ravindra Tridevi (2015-(322)-ELT-812-SC), the Supreme Court of India, held that import of parts in Semi Knocked Down (SKD) condition under different bills of entry for tax management would be

classified as complete units.

Classification

- The Tribunal, in The Shri Hiranyakeshi Sahakari Sakkare Karkhane Niyamit v CC (2015 (323) ELT 180), held that imported coal having calorific value greater than 5,833 Kcal per Kg and volatile matter exceeding 14%, shall be classified as "bituminous coal" under Customs Tariff Heading (CTH) 2701 12 and not as "steam coal" under CTH 2701 19.

Others

- In Mangalore Refinery and Petrochemicals Ltd. v CC. (2015-TIOL-199-SC), the Supreme Court of India held that Customs duty is payable on the quantity received into India and not on quantity exported from suppliers' countries.
- The Supreme Court of India, in CC v Can-Pack India Pvt Ltd. (2015-TIOL-201-SC-CUS-LB), has held that when agreement for purchase of raw material stipulates that importer has freedom to procure raw material from any other person provided desired standards are maintained, then royalty is not includable in the value of imported goods since royalty not a condition of sale of imported goods.

In the issue

Customs

Foreign trade policy (FTP)

Anti-dumping duty

Contacts

In the issue

Customs

Foreign trade policy (FTP)

Anti-dumping duty

Contacts

- The Supreme Court of India in, *CC. v GE BE Limited* (2015 (322) ELT 785 SC), held that exemption cannot be granted by extending the scope of “specified equipment” covered in any notification on the basis of multiple use of such equipment, since exemption notification are required to be construed strictly. In this case the court held that exemption is available to an ultrasound equipment having A-scan only and is not available to an equipment having A, B and M-scan.
- The Supreme Court in the matter of *CC v Hutchison Essar South Ltd.* (2015-TIOL-210-SC-CUS), held that exemption available to "Base Trans receiver Station (BTS)" also available to the antenna and installation material used in the Base Transreceiver Station since these are an integral part of the BTS without which the BTS would not even function.

Foreign trade policy

Notifications and circulars

- The Central Government has clarified that Procedure/documentation given in Para 5.10(d) of Hand Book of Procedures is applicable to third party export made on or after 01 April, 2015 under EPCG Scheme.

(Policy Circular No. 3/2015-20, dated 02 September, 2015)

- The Central Government has further clarified the procedure for filing application under MEIS and SEIS by units located in SEZs and EOU).

(Public Notice No. 30/2015-20, dated 26 August, 2015)

- The Central Government has notified the Standard Input Output Norms (SION) for 'Dipped Belting Fabrics (EP) Conveyor Duck/specific Synthetic Fabrics'

(Public Notice No. 33/2015-20, dated 4 September, 2015)

- The Central Government has notified that modifications in Electronic IECs as well as physical IECs will be carried out online with effect from 21 September 2015.

(Public Notice No. 36/2015-20, dated 14 September, 2015)

Case law

- In Aquapharm Chemical Pvt Ltd. v CC (2015 (323) ELT 374), the Tribunal held that, specific permission for DTA sale of by-product from EOU to DTA is not required in case Letter of Permission is obtained in respect of the said by-product provided the total sale in DTA should not exceed 50% of FOB value of export clearances.
- The Supreme Court of India, in CC v G M Exports and Others (2015-TIOL-209-SC-CUS), held that Central Government cannot impose anti-dumping duty with respect to imports made during the period between the expiry of the provisional anti-dumping duty and the imposition of the final anti-dumping duty.
- In Cipla Ltd. v CC (2015-TIOL-1927-CESTAT-MUM), the Tribunal, held that DEPB scrips issued on re-export of imported goods can be registered at any port and there is no specific requirement that it should be registered at the port from where re-export is made.

In the issue

Customs

Foreign trade policy (FTP)

Anti-dumping duty

Contacts

In the issue

Customs

Foreign trade policy (FTP)

Anti-dumping duty

Contacts

- The Tribunal, in Able Shipping Agencies (I) Pvt Ltd. v CC. (2015-TIOL-1827-CESTAT-MUM), held that for issues related to denial of drawback, appeal shall be made with the Government of India and not before Tribunal.
- In CC v Horizon Flora India Ltd. (2015 (323) ELT 177), the Tribunal held that cut flowers cleared from 100% EOU to DTA are liable to Customs duty, even if not a excisable product.

Anti-dumping duty

Notifications

- The Central Government has extended the levy of anti-dumping duty on imports of specified Phosphoric Acid, falling under Customs Tariff Heading (CTH) 2809 20 10 of Customs Tariff Act (CTA), originating in or exported from Korea RP, for a period of five years from 24 August, 2015.

(Notification No. 45/2015- Customs (ADD) dated 24 August, 2015)

- The Central Government has extended the levy of anti-dumping duty on imports of acrylonitrile butadiene rubber, falling under Chapter 40 of CTA, originating in or exported from Kore RP, for a period of five years from 04 September, 2015.

(Notification No. 46/2015- Customs (ADD) dated 04 September, 2015)

- The Central Government has extended the levy of anti-dumping duty on imports of specified Float Glass, falling under Chapter 70 of CTA, originating in or exported from the People's Republic of China and Indonesia, for a period of five years from 08 September, 2015.

(Notification No. 47/2015- Customs (ADD) dated 08 September, 2015)

In the issue

Customs

Foreign trade policy (FTP)

Anti-dumping duty

Contacts

Contacts

In the issue

Customs

Foreign trade policy (FTP)

Anti-dumping duty

Contacts

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