

Staying Updated

Customs, FTP and WTO newsletter

March 2016: Volume 18 Issue 12

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Notifications and circulars

- The date of implementation of Customs (Import of Goods at Concessional Rate of Duty for Manufacture of Excisable Goods) Rules, 2016 has been changed from 1 April, 2016 to 16 March, 2016.
- ‘Wireless microphone sets/systems consisting of one or more wireless microphones and a wireless receiver’ will not be classified under CTH 8525 50 50 of the Customs Tariff Act 1975, since this entry has been omitted. This will now be classified under CTH 8518 10 00.

Case law

Classification

- Data contained in ‘soft form’ in CD enabling the user to view and modify using an external software will be classified under CTH 8523 80 20 as ‘Information technology software’.

Other

- Exemption of Customs duty on goods imported for repair is not available in

case such goods are not re-exported within the prescribed period.

Foreign trade policy

Notifications and circulars

- Standard Input Output Norms have been notified for specified medicines.

Case law

- Importers are required to comply with DGFT notification and accordingly obtain necessary import permit/registration for import of insecticide even when intended for non-insecticidal purpose.
- Import of duty free inputs under transferred Duty Exemption Entitlement Certificate licence cannot be denied merely on the basis of allegation that CENVAT credit on inputs was availed by original holder/manufacturer-exporter, until and unless it is supported by documents.

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Anti dumping/safeguard duty

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- The Central Government has levied anti-dumping duty on imports of specified plastic processing machines or injection moulding machines falling under CTH 8477 10 00 of Customs Tariff Act, 1975 originating in, or exported from, the Chinese Taipei, Philippines, Malaysia or Vietnam, for a period of five years from 15 March, 2016.
- Levy of anti-dumping duty extended on imports of polypropylene, originating in, or exported from, Singapore, for a period of five years from 8 March, 2016.

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- The Central Government has notified the India-ASEAN Trade in Goods Agreement (Safeguard Measures) Rules, 2016 to safeguard the domestic industry as a consequence of increased imports of goods into India in terms of the India-ASEAN trade agreement.
(Notification No. 37/2016- Customs (N.T.), dated 4 March, 2016)
- The Central Government has changed the date of implementation of Customs (Import of Goods at Concessional Rate of Duty for Manufacture of Excisable Goods) Rules, 2016 from 1 April, 2016 to 16 March, 2016.
(Notification No. 39/2016- Customs (N.T.), dated 15 March, 2016)
- The Central Government has notified Kashipur District U.S. Nagar, in the State of Uttarakhand for the purpose of unloading of imported goods and loading of export goods.
(Notification No. 40/2016-Customs (N.T.) dated 16 March, 2016)
- The Central Government has dispensed with requirement of filing customs baggage declaration form for domestic passengers who board international flights in the domestic leg.
(Circular No. 0/2016- Customs, dated 0 March, 2016)
- The Central Government has clarified that 'Wireless microphone sets/systems consisting of one or more wireless microphones and a wireless receiver' will not be classified under Customs Tariff Heading (CTH) 8525 50 50 of the Customs Tariff Act 1975 (CTA), since this entry has been omitted. This will now be classified under CTH 8518 10 00.
(Circular No. 9/2016-Customs, dated 11 March, 2016)
- The Central Government has introduced "Integrated Declaration" with effect from 01 April, 2016 which contains all the information required for custom clearance involving information required by other participating Government Agencies, under Indian Customs Single Window Project.
(Circular No. 10/2016-Customs, dated 15 March, 2016)
- The Central Government has clarified that in case duty with interest is paid within 30 days from the date of receipt of Show Cause Notice, then the proceedings will be deemed to be closed against other persons (co-noticees) from whom no demand of duty is made.
(Circular No. 11/2016-Customs, dated 15 March, 2016)

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- The Central Government has issued instructions to field formations for verification of certain aspects to prevent use of non-genuine transferable duty credit scrips and Duty Free Import Authorization. *(Circular No. 12/2016-Customs, dated 28 March, 2016)*

prescribed period.

Case law*Classification*

- In *ABG Shipyard Ltd. v CC (Acc & Import)* (2016 (332) ELT 849), the Mumbai Tribunal held that data contained in 'soft form' in CD enabling the user to view and modify using an external software will be classified under CTH 8523 80 20 as 'Information technology software'.

Others

- In *International Refrigeration Corporation v CC* (2016 (332) ELT 824), the Delhi Tribunal held that the period of limitation for filing a refund claim cannot be made operative through subordinate legislation.
- In *R.R. Kobler Overseas P Ltd. v CC ICD TKD* (2016 (333) ELT 98), the Delhi Tribunal held that exemption of Customs duty on goods imported for repair is not available, in case such goods are not re-exported within the

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- The Central Government has rectified the Harmonised System (HS) Code at Sl.No. 608 of the Appendix 37D of Hand Book of Procedures Vol. I (2009 - 14) as 8708 30 00 against existing HS Code 8708 29 00, for export of “Other – Brakes and Servo Brakes and Part thereof”. Further, it has been clarified that for the period prior to 24 February, 2014, the export benefit shall be available for the export of “Other – Brakes and Servo Brakes and Part thereof” irrespective of the HS Code (8708 30 00 or 8708 29 00).

(Public Notice No. 65/(RE-2013)/2009-2014, dated 18 March, 2016)

- The Central Government has notified standard input output norms for specified medicine products to be exported under “Chemical and Allied product group”.

(Public Notice No. 64/2015-20, dated 17 March, 2016)

- The Central Government has empowered the Tobacco Board, Guntur, to issue Generalised System of Preferences (GSP) Certificate for tobacco and tobacco products.

(Public Notice No. 63/2015-20, dated 7

March, 2016)

Case law

- The Tribunal, in *CC v Diamond Polyprints* (2016 (332) ELT 883), held that import of duty-free inputs under transferred Duty Exemption Entitlement Certificate (DEEC) licence could not be denied merely on the basis of allegation that CENVAT credit on inputs was availed by original holder/ manufacturer-exporter, until and unless it was supported by documents.
- The Madras Tribunal, in *Shree Pharma v CC* (2016-TIOL-531-CESTAT-MAD), held that importers were required to comply with DGFT notification and accordingly obtain necessary import permit/ registration for import of insecticide even when intended for non-insecticidal purpose also.

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- The Central Government has levied anti-dumping duty on imports of specified plastics processing machines or injection moulding machines, falling under CTH 8477 10 00 of CTA, originating in or exported from the Chinese Taipei, Philippines, Malaysia or Vietnam, for a period of five years from 15 March, 2016.

(Notification No. 9/2016- Customs (ADD) dated 15 March, 2016)

- The Central Government has extended the levy of anti-dumping duty on imports of Polypropylene, falling under CTH 3902 10 00 or 3902 30 00 of CTA, originating in or exported from Singapore, for a period of five years from 8 March, 2016.

(Notification No. 7/2016- Customs (ADD) dated 8 March, 2016)

- The Central Government has levied definitive anti-dumping duty on imports of Phenol, falling under CTH 2907 11 10 of CTA, originating in or exported from European Union, Singapore and Korea RP, for a period of five years from 8 March, 2016.

(Notification No. 6/2016- Customs (ADD) dated 8 March, 2016)

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