PUBLIC NOTICE No. 17/2008

Sub: Importability of Restricted Goods under the Served from India Scheme (SFIS) and other Schemes under Chapter 3 of the Foreign Trade Policy (FTP) Reg.

Attention of all the exporters, importers, Custom House Agents, and members of the Trade and all other concerned is invited to the Boards Circular No. 3/2008-Cus. dated 24.01.2008 issued from F.No. 605/100/2007-DBK regarding importability of Restricted goods under the Served from India Scheme (SFIS) and other Schemes under Chapter 3 of the Foreign Trade Policy (FTP). The text of the Circular is reproduced below:

I am directed to invite your attention to the above-mentioned subject and to say that recently, the DRI has brought to the notice of the Board several cases of import of restricted items under the Served from India Scheme in violation of the provisions of the Foreign Trade Policy and the customs notification. It is suspected that similar misuse may be taking place under other reward schemes also.
2. The matter has been examined by the Board. In terms of Para 3.6.4.5 of the Foreign Trade Policy (FTP) the duty credit earned under SFIS may be used for import of items mentioned therein provided they are freely importable under ITC(HS) Classification of Export and Import Items. Similar provisions are there in the FTP under the Target Plus Scheme (Para 3.7.6 of the relevant Policy), and other Schemes under Chapter 3 of the present Policy such as, VKGUY, Focus Market Scheme and Focus Product Scheme (Para 3.12.4). The position is thus clear that only freely importable items under ITC(HS) are permitted for clearance under the said schemes. The notifications issued to operationalise these schemes also refer to the relevant paragraphs of the Policy covering the schemes.

3. In view of this, imports under the Schemes mentioned above may be carefully scrutinized with reference to the provisions of the FTP, Handbook of Procedures, the relevant customs notifications and Boards Circulars on the subject so as to ensure that the laid down provisions are fully complied with. In particular, it may be ensured that the goods restricted for import are not allowed clearance under the schemes.

Difficulties faced, if any, in following the Public Notice may please be brought to the notice of the undersigned.

Sd/-11.02.2008

(K.L. GOYAL)

COMMISSIONER OF CUSTOMS (EXPORTS)

JNCH , NHAVA SHEVA