OFFICE OF THE COMMISSIONER OF CUSTOMS (EXPORT),

JAWAHARLAL NEHRU CUSTOMS HOUSE, NHAVA SHEVA,

DIST RAIGAD, MAHARASTRA, - 400 707.

F.No. ××S/12-GEN-27/ 2008 AM(X)
××
× ××××××××××××Date: 20.08.2008

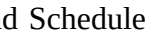
STANDING ORDER NO. 38/2008

××××××××××××**Sub : Export duty on iron & steel items-doubts regarding coverage of items**

×××××××××××××××××××××××××× **in the Export Schedule-reg**.

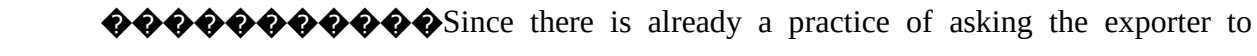
××××××××××××Export duty has been imposed on specified iron and steel items w.e.f. 10.05.2008. The effective rates of export duty on various items have been prescribed through Notification No. 66/2008-Customs dated 10.05.2008.

××××××××××××The relevant entries in the Second Schedule as well as the aforesaid notification specify only the product description to which the export duty is meant to apply. Representation have been received in the Board that there is lack of clarity about the scope/coverage of these entries and customs formations have sought to charge export duty on items such as forgings of iron and steel, structures and articles. Similar doubts have been raised by field formations as well as and a clarification has been sought.

 The matter has been examined by Tax Research Unit. The Second Schedule to the Custom Tariff Act, 1975 (i.e. the Export Schedule) is not aligned with the Harmonised System of Nomenclature (HSN) as a result of which it has not been possible to indicate the corresponding heading No. / Sub-heading No. of the HSN in Notification No. 66/2008-Customs. However, the description of the relevant entries have been borrowed from the First Schedule or the Import Schedule. In order to remove any ambiguity about the coverage of these entries, their description is reproduced in the Table below along with the corresponding Heading No. of the First Schedule.

Sr.No.	Description of item on which export duty has been imposed	Corresponding Heading / Sub-Heading/ Tariff item of First Schedule
1	Pig Iron and spiegeleisen in pigs, blocks or other primary forms	7201
2	Ferrous products obtained by direct reduction of iron ore and other spongy ferrous products, in lumps, pellets or similar forms; iron having minimum purity by weight of 99.94% in lumps, pellets or similar forms	7203
3	Ferrous waste and scrap; remelting scrap ingots of iron or steel	7204
4	Granules and powders, of pig iron, spiegeleisen, iron or steel	7205
5	Iron and non-alloy steel in ingots or other primary forms	7206
6	Semi-finished products of iron or non-alloy steel	7207
7	Flat rolled products of iron or non-alloy steel, cold rolled (Cold-reduced), not clad, plated or coated	7208, 7209, 7211
8	Flat rolled products of iron or non-alloy steel, cold rolled (Cold-reduced), not clad, plated or coated	
9	Flat rolled products of iron or non-alloy steel, plated or coated with zinc	7210 30 10 7210 30 90

		7210 41 00 7210 49 00 7212 20 10 7212 20 90 7212 30 10 7212 30 90
10	Bars and rods, hot-rolled in irregularly wound coils, of iron or non-alloy steel	7213
11	Other bars and rods of iron or non-alloy steel, not further worked than forged, hot-rolled, hot-drawn or hot-extruded, but including those twisted after rolling	7214
12	Other bars and rods of iron or non-alloy steel	7215
13	Angles, shapes and sections of iron or non-alloy steel	7216
14	Wire of iron or non-alloy steel	7217
15	Tubes and pipes of iron or steel	7303,7304,7305,7306
16	Basmati Rice	1006 30 20

 Since there is already a practice of asking the exporter to declare the six-digit classification / RITC on the shipping bill, the information provided in the Table can easily be used to determine whether or not export duty is applicable in a particular case. Further, the classification of various items in the First Schedule to the Customs Tariff Act is not a matter of any doubt, as the relevant principles are clearly enunciated in the Rules for interpretation of the First Schedule. The same guiding principles may be followed by assessing officers in deciding whether a particular iron/steel product will attract export duty or not.

Pending issues, if any may be resolved expeditiously so that no hold-up of export shipments occurs, difficulties, if any, in implementation of the above instructions may be brought to the notice of the undersigned.

Sd/-20.08.08

(K.L.GOYAL)

COMMISSIONER OF CUTOMS (EXPORT)

JNCH.