

Directorate General of Foreign Trade (DGFT)

Implementation of Paper Import Monitoring System (PIMS)

[Policy Circular No.41/2015-2020 dated 05.07.2022](#)

The DGFT vide [Notification No. 11/2015-20 dated 25.05.2022](#), introduced Paper Import Monitoring System (PIMS) by amending the import policy of major paper products under Chapter 48 from 'Free' to 'Free subject to compulsory registration under PIMS' effective from 1.10.2022.

Further, vide this Circular, DGFT has provided clarification on following queries:

- PIMS shall be required at the time of import by the unit in Special Economic Zone (SEZ), Free Trade Warehousing Zone (FTWZ) or an Export Oriented Units (EOU);
- Import by Domestic Tariff Area (DTA) from SEZ/FTWZ/EOU - PIMS registration shall not be required if no processing has taken place of the item of paper that has already been registered under PIMS at the time of entry into SEZ/FTWZ/EOU. However, if processing has taken place with a change in HS (Code) at 8-

digit level, the importer in DTA will require to register under PIMS.

Relaxation in provision of submission of 'Bill of Export' as an evidence of export obligation discharge for supplies made to SEZ in case of EPCG Authorization

[Policy Circular No.43/2015-20 dated 27.07.2022](#)

DGFT has extended the relaxation for submission of 'Bill of Export' in case of exports made to SEZ units under Export Promotion Capital Goods (EPCG) Authorization for supplies made prior to 01.04.2015. The said relaxation was earlier available only to supplies made to SEZ in case of Advance Authorisation (AA).

The exporters can submit following corroborative evidence in lieu of 'Bill of Export':

- ARE-I form duly attested by jurisdictional Central Excise authorities of EPCG Authorization holder.
- Evidence of receipt of the supplies by the recipient in the SEZ.
- Evidence of payment made by SEZ unit to the EPCG Authorization holder.

October 2022

Extension of validity of FTP 2015-20 and HBP 2015-20

[Notification No. 37/2015-20 dated 29.09.2022](#) and [Public Notice No. 26/2015-20 dated 29.09.2022](#)

Through these notifications, the Central Government has extended the validity of the Foreign Trade Policy (FTP) 2015-2020 and the Handbook of Procedure (HBP) 2015-2020 up to 31.03.2023.

Extension in filing of annual return under EPCG Scheme

[Public Notice No. 27/2015-2022 dated 29.09.2022](#)

The DGFT has made amendment in para 5.15 of the HBP (2015-2020) to extend the last date for filing annual return under EPCG Scheme from 30.09.2022 to 31.12.2022.

Customs

Withdrawal of IGST exemption provided to research equipment imported by public funded and non-commercial research institutions and IIT, etc.

[Notification No.42/2022-Customs dated 13.07.2022](#)

The Central Government (CG) vide this Notification has further amended Notification No. 51/96 dated 23.07.1996 to exclude the words "from the whole of integrated tax leviable thereon under sub-section (7) of section 3 of the said Customs Tariff Act". Therefore, with effect from 18.07.2022, research equipment imported by public funded and non-commercial research institutions and IIT, etc. shall be liable to IGST.

Revised guidelines for launching of prosecution and for arrest and bail in relation to offences punishable under the Customs Act, 1962

[Circular No. 12/2022 dated 16.08.2022](#) and [Circular No. 13/2022 dated 16.08.2022](#)

The Central Board of Indirect Tax and Customs

(CBIC) through the aforesaid Circulars, has issued revised threshold limits for launching prosecution in relation to offences punishable under Customs Act, 1962

Cases with revised threshold limits are:

- Baggage and outright smuggling – Rs. 50 lakhs
- Appraising Cases/ Commercial Frauds – Rs. 2 crores
- Non-declaration of foreign currency by foreign nationals and NRIs – Rs. 50 lakhs

Further, the Circular provides for the following situations where an arrest should be made:

- Unauthorised importation in baggage – Rs. 50 lakhs
- Smuggling of high-value goods such as precious metals, restricted items, or prohibited items or goods where the value of offending goods is Rs. 50 lakhs or more.
- Importation of trade goods involving willful misdeclaration in description of goods/ concealment of goods/ goods with a view to import restricted or prohibited items - Rs. 2 crores or more.
- Cases involving fraudulent evasion or attempt at evasion of duty involving Rs. 2 crores or more.

Customs (Import of Goods at Concessional Rate of Duty or for Specified End Use) Rules, 2022 notified

[Notification No.74/2022-Customs \(N.T.\) dated 09.09.2022](#)

The CG has issued the Customs (Import of Goods at Concessional Rate of Duty or for Specified End Use) Rules, 2022.

These rules would be applicable where –

- A notification provides for the observance of these rules;
- An importer intends to avail the benefit of any notification and such benefit is dependent upon the use of the goods imported being covered by that notification for the manufacture of any commodity or provision of output service or being put to specified end use

Procedure to be followed:

- Importer to give one-time prior information on the common portal in Form IGCR-1;
- On acceptance of the information, an Import of Goods at Concessional Rate of Duty (IGCR) Identification Number (IIN) shall be generated;
- Importer to submit a continuity bond with such surety or security as deemed appropriate by the Deputy Commissioner of Customs or Assistant Commissioner of Customs;
- Importer to mention the IIN and continuity bond number and details while filing the Bill of Entry .

[15.09.2022](#)

The CBIC has extended the validity of e-Scrip from 1 year to 2 years issued under Electronic Duty Credit Ledger Regulations, 2021.

Amendments in RoDTEP (Refund of Duties and Taxes on Exported Products) and RoSCTL (Rebate of State and Central Taxes and Levies) Notification

[Notification No.75/2022-Customs \(N.T.\) dated 14.09.2022](#) and [Notification No.76/2022-Customs \(N.T.\) dated 14.09.2022](#)

The Central Government has amended [Notification No.76/2021 dated 23.09.2021](#) and [Notification No.77/2021-Customs \(N.T.\) dated 24.09.2021](#) for RoDTEP and RoSCTL respectively as below:

- By omitting sub-clause (2) of clause 4 and sub-clause (5) of clause 5 thereby restricting the recovery of excess amount from the transferee;
- By omitting word "transferee" from clause 6 such that during the pendency of any recovery from exporter, unutilised duty credit of transferee shall not be suspended.

Thereby, the transferee has been absolved from any liability on account of default by the exporter. Also, that the unutilised duty credit of transferee shall not be blocked during the pendency of any recovery from exporter.

Electronic Duty Credit Ledger (Amendment) Regulation, 2022

[Notification No.79/2022-Customs \(N.T.\) dated](#)

KEY TAKE AWAY

- Extension of relaxation in the provision of submission of 'Bill of Export' under the EPCG Authorization scheme
- Listing of new RoDTEP export items, rate, and per unit value caps in Appendix 4R by DGFT.
- Issuance of the Customs (Import of Goods at Concessional Rate of Duty or for Specified End Use) Rules, 2022.
- Extension of validity of FTP 2015-20 and HBP 2015-20 up to 31.03.2023
- Extension in filing of annual return under EPCG Scheme up to 31.12.2022



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