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Notification No: 9 /2015-2020 New Delhi, the 28 May, 2018 24

Subject: Amendment in the Chapter-1 of FTP 2015-2020.

S.O.(E) In exercise of the powers conferred by Section 5 of the Foreign Trade (Development and Regulation) Act, 1992 read with Para 1.02 of the Foreign Trade Policy, 2015-2020, the Central Government hereby makes the following amendments in the Foreign Trade Policy 2015-2020.

The following Para is inserted after Para 1.40 in Chapter 1 of the FTP 2015-20 w.e.f 01.04.2015.

"1.41. With a view to expand employment opportunities, certain special focus initiatives for Handlooms, Handicraft, Leather, Marine, Sports Goods and Toys sectors are required. These sectors are being provided the following duty free (only basic customs duty free with effect from 01.07.2017) entitlements:

i. Handlooms

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a. Duty free import entitlement of specified trimmings and embellishments upto 5% of FOB value of exports during previous financial year. Handloom and made ups are included for the entitlement.

b. Duty free import entitlement of hand knotted carpet samples upto 1% of FOB value of exports during previous financial year.

ii. Handicrafts

a. Duty free import entitlement of tools, trimmings and embellishments upto 5% of FOB value of exports during previous financial year. Entitlement shall extend to merchant exporters tied up with supporting manufacturers.

b. Handicraft EPC is authorized to import trimmings, embellishments and consumables on behalf of those exporters for whom directly importing may not be viable

iii. Leather and Footwear

a. Duty free import entitlement of specified items upto 3% of FOB value of exports of leather garments during preceding financial year.

b. Duty free entitlement for import of trimmings, embellishments and footwear components for footwear (leather as well as synthetic), gloves, travel bags and handbags upto 3% of FOB value of exports of previous financial year. Such entitlement shall cover packing material, such as printed and non-printed shoeboxes, small cartons made of wood, tin or plastic materials for packing footwear.

iv. Marine Sector

Duty free import of specified specialised inputs/chemicals and flavouring oils is allowed to the extent of 1% of FOB value of preceding financial year's export.

v. Sports Goods and Toys

Duty free import of specified specialised inputs allowed to the extent of 3% of FOB value of preceding financial year's export.

However, the term "Duty" specified above shall mean "Basic Customs Duty" w.e.f 01.07.2017."

Effect of this Notification: Entitlement for duty free import of sector specific inputs which were available in Chapter 1B of FTP 2009-14 have been re-inserted in Chapter 1 of FTP 2015-20 w.e.f. 01.04.2015.

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