

**Government of India
Ministry of Commerce & Industry
Department of Commerce
Directorate General of Foreign Trade
Udyog Bhawan, New Delhi-110011.**

Trade Notice No. 15/2016, dated 31.8.2016

To,
All Regional Authorities of DGFT
Members of Trade

Sub: Special Advance Authorisation Scheme for export of Articles of Apparel and Clothing Accessories -reg.

Attention is invited to Notification No-21 dated 11.8.2016 and Public Notice No-27 dated 31.8.2016 in respect of Special Advance Authorisation Scheme for export of Articles of Apparel and Clothing Accessories, which is to come into effect w.e.f 1st September 2016.

2. Applications for grant of Special Advance Authorisation Scheme for export of Articles of Apparel and Clothing Accessories can be filed online through DGFT website: <http://dgft.gov.in/>. Procedure for filing application online for this authorisation is similar to filing of application for the regular Advance Authorisation. The normal Advance Authorisation Scheme which is in operation is still available for exporters. It is for the exporters to choose any scheme of their choice.

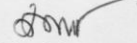
3. DGFT EDI system is designed to calculate value addition automatically based on FOB value of exports, CIF value of imports. Value of any other input used on which benefit of All Industry rate of Duty Drawback is claimed or intended to be claimed shall be equal to 22% of the FOB value of export realised and this value is factored in EDI system while calculating value addition.

4. Regional authorities are required to check in particular the following before grant of authorisation under Special Advance Authorisation Scheme for export of Articles of Apparel and Clothing Accessories.

- i. Authorisation under this scheme shall be granted only for import of relevant fabrics including inter lining. Any import item other than fabric, if claimed shall be disallowed by RA before granting the authorisation.
- ii. Authorisation under this scheme can only be granted for export items falling under Chapter-61 and 62 of ITC(HS) Classification of Export and Import items.
- iii. Minimum value addition of 15% is required.
- iv. Authorisation under this scheme shall be granted for items under SION as well as existing & valid Adhoc Norms. Norms should be valid on the date of issue of Authorisation.

- v. The fabric imported under this authorisation shall be subjected to actual user condition. The same shall be non transferable even after completion of export obligation. However the fabric imported may be transferred for job work as permitted by Central Excise (excluding to units located in areas eligible for area based exemption from Central Excise Duty). Facility of invalidation of the authorisation shall not be permitted.
- vi. The fabric imported shall be subject to pre-import condition and it shall be physically incorporated in the export product (making normal allowance for wastage). Only Physical exports shall fulfil the export obligation.

5. The above information is indicative and not an exhaustive listing of the conditions. Any difficulty in implementation of this scheme may be brought to the notice of DGFT, New Delhi.



Rakesh kumar
Deputy Director General of Foreign Trade
For Director General of Foreign Trade

(F.No-01/94/180/21/AM17/PC4)