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Government of India Ministry of Commerce & Industry Department of Commerce Directorate General of Foreign Trade

Public Notice No. 65 /(RE-2013)/2009-2014

Dated the 18th March, 2016

Subject: Error correction in Focus Product Scheme (FPS) for export of "Other -Brakes and Servo Brakes and Part thereof" mentioned at Sl. No. 608 of Appendix 37D as notified vide Public Notice 3 dated 05.06.2012 of Foreign Trade Policy 2009-2014.

In exercise of powers conferred under paragraph 2.4 of the Foreign Trade Policy(FTP) 2009-14, the Directorate General of Foreign Trade hereby makes the following amendment in the Appendix 37D of Handbook of Procedure Vol.I (2009-14).

2. ITC(HS) Code 87082900 was wrongly mentioned for "Other – Brakes and Servo Brakes and Part thereof" at Sl. No. 608 of the Appendix 37D HBP Vol.I (2009-14), as notified vide Public Notice No. 3(RE2012)/2009-14 dated 05.06.2012. The matter was reviewed and HS code was corrected to 87083000 vide Public Notice No. 52 dated 25 February 2014 at Sr. no. 637 of FPS table. The HS Code at Serial Number 608, as notified vide Public Notice No. 3(RE2012)/2009-14 dated 05.06.2012 is now corrected as under:-

Existing Entry

| Sl. No. | FPS Product Code | ITC(HS) Code | Description | Rate Percent | Corrected ITC HS Code |
|------------|------------------------|-----------------|--|-----------------|-----------------------|
| 608 | 608 | 87082900 | OTHER – BRAKES AND SERVO BRAKES AND PART THEREOF | 2% | 87083000 |

This correction is necessitated as it was noticed that HS code 87082900 was wrongly mentioned prior to 25.2.2014 which was rectified in Public Notice No.52 dated 25.2.2014 for "Other-Brakes and Servo Brakes and Part thereof". However, as the intention was to incentivise "Other-Brakes and Servo Brakes and Part thereof", the matter was reviewed and it has been decided that FPS benefit can be granted for export of item with description "Other-Brakes and Servo Brakes and Part thereof" either under ITC HS code 87083000 or 87082900, as per FPS Sr. No. 608 of Appendix 37D of HBP Vol.I (2009-14), if exported prior to issuance of Public Notice No.52 dated 25.2.2014. However, if FPS benefit has been granted by any RA on the basis of ITC HS code 87082900 alone, where the description is other than "Other-Brakes and Servo Brakes and Part thereof", such cases need to be reviewed by RA any if it is found that the same has been wrongly granted, recovery should be made by Regional Authorities.

Effect of Public Notice: The item under description, "Other – Brakes and Servo Brakes and Part thereof" has been incentivized irrespective of the ITC(HS) codes (87082900 or 87083000) mentioned against the product description, exported under Foreign Trade Policy 2009-14 between 05.06.2012 and 24.02.2014. From 25.02.2014 onwards both description and ITC (HS) code should match for grant of incentives under FPS (FTP 2009-14) to the said item mentioned at S1. No. 637of Public Notice No. 52 dated 25.02.2014. Items inentivised under ITC(HS) code 87082900, which did not meet the description "Other – Brakes and Servo Brakes and Part thereof" are clarified to have been non-entitled, as apparent from the description.

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