

No.01/89/180/Misc.-13/AM-07/PC-2 (B) Vol.II
 Government of India
 Ministry of Commerce & Industry
 Directorate General of Foreign Trade

Udyog Bhawan, New Delhi
 Dated 27th April, 2017

Trade Notice No. 5

To

1. Applicants under DGFT's Notification No 1 & 2 dated 5th April, and 13th April, 2017.
2. RAs of Kolkata, Chennai, Bangaluru, Vishakhapatnam and Mumbai DGFT

Sub: Clarification on TRQ for Raw Sugar -regarding.

This Office has received certain requests for clarifications on the TRQ for Raw Sugar as notified vide DGFT's Notification No 1 & 2 dated 5th April, and 13th April. The same having been considered is clarified as under:

S. No.	Queries Raised	Observations/Reply
1.	If a company has a 100% subsidiary company, situated in SEZ, <u>can the company import raw sugar from this factory situated in SEZ, duty free?</u>	Import of raw sugar under TRQ as per DGFT's Notification No 1 & 2 dated 5th April, and 13th April, 2017 is not allowed through SEZ units in the country.
2.	<u>Company has a few sugar plants in the State of TN/KN/AP with a common IEC. Hence, can the company pool the quantity allotted to these plants and process imported raw sugar in a single plant or two plants [within the state or across the states] due to economic considerations?</u>	Quota would be allotted against each application/each unit based on the refining capacity of the unit as indicated in the notification No 1 dated 5th April, 2017 and with actual user condition as in Customs notification no 32/2016. Since import of sugar under the scheme is with actual user condition it is necessary that imported raw sugar is processed in the factory/ unit as indicated in the application.
3.	In order to liquidate excess stocks in India, Government of India came up with a policy and subsequent Notification to export 4 Million MT. Some companies responded in full measure while other mills across did not fulfil the obligations. <u>Will action to fulfil obligations help to secure higher allocation of duty free raw sugar?</u>	Allocations will be made only as per terms and conditions of the Notification No 1 & 2 dated 5th April, and 13th April, 2017
4.	Considering possible congestion in some ports, <u>can a mill in one state import through ports in any other states within the same zone?</u>	Yes. Applications will be entertained as per condition 2 (ii) (b) of Notification No 2 dated 13th April, 2017.
5.	Is it necessary to register contract with APEDA?	Import of raw sugar under TRQ as per the Notification No 1 & 2 dated 5th April, and 13th April, 2017 does not exempt any

6.	Whether it is necessary to obtain a certificate from FSSAI for the imported raw sugar?	regulatory requirements for such imports including clearance from FSSAI. It is further clarified that imports under the Notification No 1 & 2 dated 5th April, and 13th April, 2017 will be required to fulfil/meet/ pass all the stipulated conditions/ standards/ checks as applicable on such imports under any other Law/Rules.
7.	Is it necessary to obtain Radiation certificate for import?	
8.	What are the documents required to be submitted for proving processing ability in off-season? [like boiler license or Form 1 given to Sugar Directorate or PCB consent]	Applicants are required to give self declaration of its refining capacity, while providing self-certified copy of the latest IEM issued by DIPP and/ or any other document indicating its refining capacity.
9.	Can you please confirm whether the filing of Bill of entry will be treated as a conclusive evidence of import for availing duty free exemption?	TRQ benefits is available up to and inclusive of 30th June, 2017 as per Section 15 of the Customs Act, 1962, which means date of entry will be up to and inclusive of 30th June, 2017.
10.	ANF-2M seeks country of origin data. If import is permitted through SEZ, will the country of origin be the country from which Factory in SEZ imported or we give SEZ as country of origin?	Country of Origin is not of significance under the TRQ as notified vide DGFT's Notification No 1 & 2 dated 5th April, and 13th April, 2017. However, import of raw sugar under TRQ as per DGFT's Notification No 1 & 2 dated 5th April, and 13th April, 2017 is not allowed through SEZ units in the country.

2. Applicants may take action accordingly.

This issues with the approval of competent authority.


(S.P. Roy)

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