

## Clarification regarding FTP Para 2.12 with respect to Provision under Advance Authorisation

Para 2.12 of the FTP 2023 provided a facility that "Goods already imported / shipped / arrived in advance, but not cleared from Customs may also be cleared against an Authorisation issued subsequently. However, such goods already imported/ shipped/arrived, in advance are first warehoused against Bill of Entry for Warehousing and then cleared for home consumption against an Authorisation issued subsequently.

This is a facilitative provision to allow clearance of goods to the importers whose authorisations (such as Advance Authorisation) are issued subsequent to the arrival of the imports. Any interpretation of this provision to make warehousing of goods, a mandatory requirement even in cases where Authorisation has been issued before the arrival of the imports or their customs clearance, defeats the purpose intended under the Para 2.12 of FTP, 2023 and only adds to the costs of imports.

Many representations had been received by the DGFT where importers being asked to mandatorily warehouse the goods before clearance, if they were shipped (date of shipment as per date of Bill of Lading) prior to issuance of Authorization, even though importer now has an Authorization in hand for the landed goods while approaching customs for clearance of such goods.

Thus, this clarification was of very much important and will help all the exporters and importers under the Advance Authorisation Scheme. Copy reproduced below:

Copy of Directorate General of Foreign Trade Circular No.02/2025-26-DGFT | Dated: 22nd July, 2025

### **Subject: Clarification regarding applicability of Para 2.12 of the Foreign Trade Policy, 2023-reg.**

Para 2.12 of Foreign Trade Policy, 2023 provides that "Goods already imported / shipped / arrived in advance, but not cleared from Customs may also be cleared against an Authorisation issued subsequently. However, such goods already imported/shipped/arrived, in advance are first warehoused against Bill of Entry for Warehousing and then cleared for home consumption against an Authorisation issued subsequently. This facility will however be not available to 'Restricted' items or items traded through STEs, unless specifically allowed by DGFT".

2. This is a facilitative provision to allow clearance of goods to the importers whose authorisations (such as Advance Authorisation) are issued subsequent to the arrival of the imports. Any interpretation of this provision to make warehousing of goods, a mandatory requirement even in cases where Authorisation has been issued before the arrival of the imports or their customs clearance, defeats the purpose intended under the Para 2.12 of FTP, 2023 and only adds to the costs of imports.

3. Recently this Directorate has received several representations regarding problems faced by importers being asked to mandatorily warehouse the goods before clearance, if they were shipped (date of shipment as per date of Bill of Lading) prior to issuance of Authorization, even though importer now has an Authorization in hand for the landed goods while approaching customs for clearance of such goods.

4. The matter has been examined in the Directorate and it is clarified that Goods already imported / shipped / arrived, in advance, but not cleared from Customs may also be cleared for home consumption against an Authorisation issued subsequent to the date of shipment (date of Bill of lading) but before their clearance from Customs, without any mandatory requirement for warehousing. This facility will however be not available to 'Restricted' items or items traded through STEs, unless specifically allowed by DGFT.

This is issued with the approval of Competent Authority.

The Circular clarifies that "Organic Textiles" do not fall within the ambit of accreditation categories prescribed under the NPOP. Accordingly, the requirement of a Transaction Certificate (TC) from a NAB-accredited body, as stipulated under Public Notice No. 39/2024-25 dated January 5, 2025, is not applicable to the export of organic textile products.

In this regard, It has been confirmed by AEPC, TEXPROCIL, and other stakeholders that exports of organic textiles are certified under globally recognized frameworks such as the Global Organic Textile Standard (GOTS) and Textile Exchange, wherein the Transaction Certificate is issued only upon completion of the export process, based on post-shipment documents including the Shipping Bill, Bill of Lading, and Final Invoice.

The para 4 mentioned in the previous circular is there by removed for requirement of TC at the time of Export. Copy reproduced below:

Copy of Policy Circular No.03/2025-26 - DGFT Dated: 31st July, 2025

**Subject: Clarification regarding Export of "Organic Textiles" - regarding.**

Reference is invited to the Policy Circular No. 01/2025-26 dated July 15, 2025 whereby clarified that organic textiles do not fall within the ambit of accreditation categories prescribed under the NPOP. Accordingly, the requirement of a Transaction Certificate (TC) from a NAB-accredited body, as stipulated under Public Notice No.39/2024-25 dated January 5, 2025, is not applicable to the export of organic textile products.

2. In this regard, It has been confirmed by AEPC, TEXPROCIL, and other stakeholders that exports of organic textiles are certified under globally recognised frameworks such as the Global Organic Textile Standard (GOTS) and Textile Exchange, wherein the Transaction Certificate is issued only upon completion of the export process, based on post-shipment documents including the Shipping Bill, Bill of Lading, and Final Invoice.

3. Accordingly, it has been decided to delete Para 4 of Policy Circular No. 01/202526 dated July 15 2025, thereby removing the requirement of submitting the Transaction Certificate at the time of export.

This Circular is issued with the approval of competent authority.

DGFT has confirmed via the trade notice that the Deemed Export Module is not available and thus application must be filed via Online mode only.

No Manual application will be accepted by any RA or SEZ for the same.

Copy of Directorate General of Foreign Trade PC-VI Division Trade Notice No. 10/2025-26 dtd 28.07.2025

**Subject: Online Deemed Export Application Module-FTP 2015-20 - Reiteration of guidelines for compliance-reg.**

The members of trade may refer to this Directorate Notice dated 12/2021-22 dated 28.7.2021 conveying the introduction of an online module on the DGFT website for claiming benefits under Deemed Exports and mandating that applications are required to be filed online.

All concerned are hereby again informed that no manual application shall be accepted at any RA/SEZ. Accordingly, the guidelines/procedure of filing online application issued vide Notice 12/2021-22 should be adhered to.

As per the latest notification, certain products under HSN 531090, 560890, 560790 and 630510 are not allowed to be imported from any land port on the India - Bangladesh Border.

However, import is allowed only through Nhava Sheva Seaport.

Copy of Notification No. 24/2025-26-DGFT | Dated: 11th August 2025

**Subject: Port restriction on import of certain goods from Bangladesh to India under ITC (HS), 2022 Schedule 1 (Import Policy)-reg.**

In exercise of powers conferred by Section 3 read with Section 5 of Foreign Trade (Development & Regulation) Act, 1992, read with paragraph 1.02 and 2.01 of the Foreign Trade Policy (FTP) 2023, as amended from time to time, and in continuation to DGFT Notification No. 07/2025-26 dated 17.05.2025 and Notification No. 21/2025-26 dated 27.06.2025, the Central Government hereby additionally insert the following ITC HS Codes under sub-para 2 of Para 19 (1), below Sl. No. (ix) to General Notes Regarding Import Policy under ITC (HS), 2022 Schedule 1 (Import Policy), with immediate effect:

| Sl. No. | HS Code | Item Description                                                              | Import Policy /Port restriction                                                                                                                              |
|---------|---------|-------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (x)     | 531090  | Bleached and unbleached woven fabrics of Jute or of other textile bast fibre. | Imports from Bangladesh shall not be allowed from any land port on the India-Bangladesh Border. However, it is allowed only through the Nhava Sheva Seaport. |
| (xi)    | 560890  | Twine, cordage, rope, etc. of Jute                                            |                                                                                                                                                              |
| (xii)   | 560790  | Twine, cordage, rope, and cables                                              |                                                                                                                                                              |
| (xii)   | 630510  | Sacks and bags of Jute                                                        |                                                                                                                                                              |

2. Other terms and conditions of Notification No. 21/2025-26 dated 27.06.2025 shall remain in force without change.

Effect of the Notification: Import of certain goods from Bangladesh to India is regulated with immediate effect.

In relation to exporters claiming DFIA benefit were facing challenges in establishing close nexus or correlation between the imported goods and inputs used in the manufacturing for the exported product.

The Customs Circular No. 20/2025-Cus Dt. 24.07.2025 clarifies that only in case on inputs under Para 4.29 of FTP 2023 require the to establish the correlation of technical characteristics, quality and specifications.

Inputs under para 4.12 and 4.28 (iii) of FTP 2023, only name of specific input along with the quantity is required in the s/bill and declaration of technical details like characteristics, quality and specifications are not required. Copy reproduced below:

Copy of Circular No. 20/2023-Cus Dated: 24th July, 2025

**Subject: Correlation of Technical Characteristics, Quality and Specification of the Inputs with the Export Product under the DFIA Scheme - reg.**

Madam/Sir, I am directed to invite your attention to the provisions of paragraph 4.12, 4.28(iv) and 4.29 of the Foreign Trade Policy, 2023 (i.e. FTP, 2023) and condition (iii) of Notification No. 25/2023-Cus dated 01.04.2023 regarding correlation of technical characteristics, quality and specification of the inputs at the time of import with the exported product, under the DFIA Scheme.

2. In this connection, representations have been received from trade stating that difficulties are being faced in clearance of material under DFIA Scheme on account of Customs insisting on establishing close nexus or correlation between the imported goods and the inputs used in the manufacture of exported product - in all cases of imports under the said scheme.

3. The matter has been examined by the Board. It is observed that:-

(i) In terms of paragraph 4.12 and 4.28(iv) of the Foreign Trade Policy, 2023, wherever SION permits use of either a generic input or alternative input, the specific input together with quantity, which has been used in manufacturing the export product, should be indicated / endorsed in the relevant Shipping Bill.

(ii) Further, in terms of paragraph 4.29 of the said Policy, in respect of some 22 items specified therein, the exporters are required to give a declaration with regard to technical characteristics, quality and specification in the Shipping Bill.

4. In line with the above stated policy provisions, the condition (iii) of Notification No. 25/2023-Cus dated 01.04.2023 states that:-

(a) in respect of inputs mentioned in paragraph 4.12 [which is applicable for inputs of 4.28(iv) also] the exporter shall declare the specific name or description of the material used in the export of the resultant products in the shipping bill/bill of export.

(b) in respect of the resultant product requiring inputs specified in paragraph 29, the materials permitted in the DFIA shall be of the same quality, technical characteristics and specification as the materials used in the said resultant product and that in respect of the said resultant product, the exporter shall give declaration with regard to the quality, technical characteristics and specification of materials used in the Shipping Bill or bill of export.

5. The position is thus clear that only in respect of inputs specified in paragraph 4.29 of the Foreign Trade Policy, 2023, a correlation of technical characteristics, quality and specification of the inputs with the export product is required to be established under the DFIA Scheme. Such correlation is not required to be established in case of other inputs.

6. It is, therefore, clarified that:-

(a) Only in case of import of inputs mentioned in paragraphs 4.29 of the FTP, 2023, correlation of technical characteristics, quality and specification of the inputs with the export product is required to be established when imported under the DFIA Scheme.

(b) In case of inputs mentioned in paragraphs 4.12 and 4.28(iii) of the FTP, 2023, only name of the specific input along with the quantity is required to be declared in the shipping bill/bill of export. Declaration of technical characteristics, quality and specification of the inputs used in the manufacture of the export product is not required.

7. A suitable Public Notice and Standing Order may be issued for the guidance of the trade and staff. Difficulties faced, if any in implementation of the Circular may be brought to the notice of the Board at an early date.

Impex # 6

## India and UK Sign Comprehensive Economic and Trade Agreement (CETA)

India and UK Sign Landmark Trade Agreement, Advancing a New Era of Economic Partnership and Opportunity under the visionary leadership of Prime Minister Shri Narendra Modi.

In the presence of Prime Minister Shri Narendra Modi, UK Prime Minister Sir Keir Starmer, the agreement was signed by Commerce and Industry Minister, Mr. Piyush Goyal and Secretary of State for Business and Trade, Mr. Jonathan Reynolds. Dr. S. Jaishankar, Minister of External Affairs and Ms. Rachel Reeves, Chancellor of the Exchequer were also present.

CETA secures unprecedented duty-free access for 99% of India's exports to the UK, covering nearly the entire trade basket. This is expected to open new opportunities for labour-intensive industries such as textiles, marine products, leather, footwear, sports goods, toys, and gems and jewellery, alongside fast-growing sectors like engineering goods, auto components, and organic chemicals.

All the documents and details related the FTA is available on the link below

<https://www.commerce.gov.in/international-trade/trade-agreements/india-united-kingdom-comprehensive-economic-and-trade-agreement/>

<https://www.commerce.gov.in/international-trade/trade-agreements/india-uk-ceta-synopsis-of-key-chapters/>