Policy Circular No. 50 (RE-08)/2004-2009                        Dated: 06.1.2009

To

All Licensing Authorities;
All Commissioners of Customs;
Trade and Industry

Subject: Correlation of inputs with the export product under DFIA Scheme-regarding.

Representations have been received from the trade and industry that for want of corresponding DGFT policy circular in line with the Customs Circular No. 46/07 dt. 20.12.07 on the nexus of the inputs with the exported product, they are facing difficulties in clearance of import consignment from the field formations of customs.

2. The matter was examined in detail. DFIA is issued strictly as per SION. There are 22 sensitive items (inputs) listed in paragraph 4.55.3 of HBP v.1, for which an exporter need to specify the technical specification, quality, characteristics etc. to establish nexus with the product exported. For other inputs, such details are not required unless otherwise specifically mentioned in the SION. In this regard, customs circular no. 46/07 dated 20.12.07 has been issued.

3. It is therefore clarified that except for the items(inputs) specified in paragraph 4.55.3 of HBP v.1, such correlation is not required to be established in other cases unless the SION prescribes for the same.

4. This issues with the approval of DGFT.

Sd/-
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