Circular No.40/2007-Customs

F. No. 528/76/2007-Cus (TU)

Government of India

Ministry of Finance

Department of Revenue

Central Board of Excise & Customs

New Delhi, the 29th October, 2007.

To,

All Chief Commissioners Customs.

All Chief Commissioners of Customs & Central Excise.

All Commissioners of Customs.

All Commissioners of Customs & Central Excise.

Subject: Import of New trim Cutting Waste for use in manufacture of Chindi rugs.

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Sir / Madam,

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The Board has been receiving representations from the manufacturers of 'Chindi rugs' in the country who are mainly exporting such goods to other countries. These manufacturers require trim cuttings waste or fabric waste of continuous length with a maximum width of two Inches (2") for manufacture of their final product. Such trim cutting waste is classifiable under heading 6310 of the First Schedule to the Customs Tariff. The manufacturer importers were facing problems with respect to the restriction placed on import as per ITC (HS), where in the goods falling under heading 6310 are 'restricted'. However, import of such goods is allowed without any import licence subject to the condition that the goods are completely mutilated. They had represented for relaxation of this requirement of mutilation for such trim cutting waste. In view of this, the matter was referred to DGFT for an opinion in the matter.

2. The DGFT has now informed the Central Board of Excise and Customs (CBEC) that that the matter relating to the import of trim cutting waste or fabric trims of continuous length with maximum width restriction of two Inches for manufacture of chindi rugs was examined in consultation with Ministry of Textiles and it has been decided that there is no need for amending the ITC (HS) Code 6310. However, in case of import of trim cutting waste or fabric trims of continuous length with maximum width restriction of two inches for manufacture of chindi rugs, CBEC may issue instruction to the field formations for exemption from the requirement of licence for such goods.

3. It is accordingly informed that import of trim cutting waste or fabric trims of continuous length with maximum width restriction of two inches (2") falling under heading 6310, required for manufacture of chindi rugs shall not be subjected to restrictions imposed by the present policy of ITC (HS) Code 6310 and shall be cleared without an import licence.

4. Suitable instructions may accordingly be given to the field formations.

Yours faithfully,

(M.M. Parthiban)
Director (Customs)
Tel. 2309 3908

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