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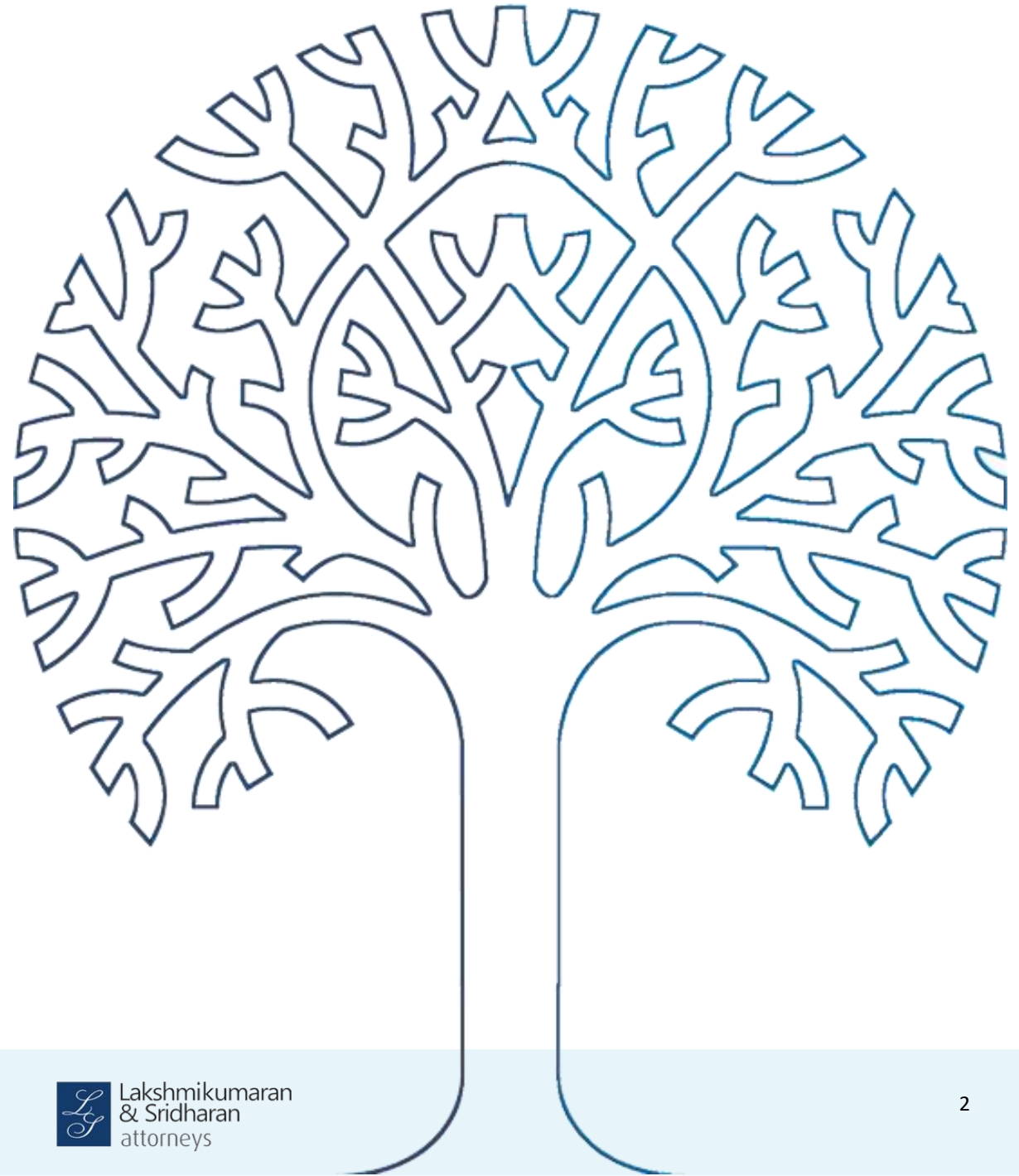


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Table of Contents

Article	3
Navigating the EU Deforestation Regulations: Scope, coverage and impact on Indian exporters	4
Trade Remedy News.....	8
Trade remedy measures by India.....	9
Trade remedy measures against India.....	10
WTO News	12
India Customs & Trade Policy Update	14
Ratio Decidendi.....	17





Article

Navigating the EU Deforestation Regulations: Scope, coverage and impact on Indian exporters

By Aayush Rastogi

The article in this issue of International Trade Amicus discusses the recently notified European Union Deforestation Regulation (**'EUDR'**), which is a set of comprehensive regulations targeting the imports and domestic production of products associated with deforestation. Observing that these regulations will also have far-reaching implications for Indian producers and exporters engaged in the trading of commodities like coffee, chocolates, soy, and wooden furniture, the article provides a brief overview of the EUDR, what it entails, and explores its impact on Indian exports to the European Union. It also elaborately discusses the three conditions – deforestation-free, produced in accordance with the relevant legislations of the producing country, and Due diligence statement, which are required to be complied. The article also notes that while the EU member country can obligate the operator/trader to take certain corrective actions, in case of non-compliance, certain penalties including monetary fines, confiscation, prohibition, etc., is also not ruled out. According to the author, though this would increase the compliance cost of Indian exporters, it can present an opportunity for those Indian exporters who are able to comply.

Navigating the EU Deforestation Regulations: Scope, coverage and impact on Indian exporters

By Aayush Rastogi

Introduction

Deforestation remains a pressing global concern with alarming consequences for the environment, biodiversity, and climate change. In an effort to combat this issue, on 9 June 2023, the European Union notified the European Union Deforestation Regulation ('**EUDR**'). The EUDR is a set of comprehensive regulations targeting the imports and domestic production of products associated with deforestation.

The EUDR lays down rules for making the product covered under the regulations available in the EU market. These regulations will also have far-reaching implications for Indian producers and exporters engaged in the trading of commodities like coffee, chocolates, soy, and wooden furniture. In this article, we will provide a brief overview of the EUDR, what it entails, and explore the impact of EUDR on Indian exports to the European Union.

Scope of EUDR - Products Covered

EUDR covers seven commodities, namely cattle, cocoa, coffee, oil palm, rubber, soy, and wood ('**covered products**'). It also includes various products derived from these primary products such as items of cattle meat, cocoa beans, chocolate, derivatives of palm oil, natural rubber-based items, soybeans and soya oil, fuelwood, printed books, and wood furniture ('**derived products**'). Some of the commodities covered are as follows:

Relevant Commodities covered under the Regulation	Relevant Products made from these commodities that are covered under the Regulation
Cattle	Cattle Meat whether fresh, frozen or chilled; hides and skins of cattle
Cocoa	Cocoa butter, fat and oil; coca beans; cocoa powder and chocolate
Coffee	Coffee, and its substitutes containing any amount of coffee
Oil palm	Palm nuts, Palm kernel oil, Glycerol, stearic acid, and oleic acid.
Rubber	Natural rubber, new pneumatic tyres, tubes and transmission belts
Soya	Soya beans, Soya bean flour and meal, soya-bean oil and soya oilcake
Wood	Fuel wood, wood wool, railway sleepers, fiberboard of wood, plywood, paper, printed books and wood furniture

Prohibitions and obligations under the EUDR

EUDR prohibits the availability of covered and derived products in the EU without fulfillment of the following three conditions -

1. Products must be deforestation-free.
2. They should have been produced in accordance with the legislations of country of production.
3. They should be covered by a due diligence statement confirming that there is only a negligible risk of non-compliance with the EUDR.

We discuss the meaning of the above conditions in the following paragraphs.

Deforestation-Free

Under EUDR, the term '*deforestation-free*' implies that the covered products do not contain, have been fed with (in case of cattle), or have been made using relevant commodities produced on land converted from forest to agricultural use *after 31 December 2020*. For wood products, the wood has to be harvested from a forest without inducing forest degradation after 31 December 2020. It is important to note the cut-off date of 31 December 2020: the EUDR prohibits placing and making available of those covered and derived products which have been produced on land that has been deforested after 31 December 2020.

Further, under the EUDR, it is immaterial whether such conversion of land from forest to agricultural use was because of human interference or not. This implies that, for instance, if the forest was affected by a fire and subsequently was converted to land for

agricultural use, products from such land would also be covered in the scope.

Produced in accordance with the relevant legislations of the producing country

An important pillar of the EUDR's requirements is that the covered and derived products should have been produced in accordance with the relevant legislations of the country of production. The '*Relevant legislations*' of country of production have been defined to include eight different areas of laws relating to land use rights, labour laws, environmental protection, tax, anti-corruption, trade and customs regulations. The scope of the relevant legislations that are required to be complied with are vast. This would place significant compliance burden on producers of the covered and derived products.

If the products are not *deforestation-free* or have not complied with *relevant legislations*, an operator cannot place them in the EU market. Therefore, Indian exporters will have to make sure that the products that they export to the EU comply with the above conditions under the EUDR.

Due diligence statement

The most important obligation that exporters to the EU will have to comply with is the requirement to provide a due diligence statement.

Under this obligation, the '*operator*' (a person who would be placing the relevant products or making them available in the EU market) must certify that the product being placed in the EU market is deforestation-free, follows the relevant legislations of its country of production and only has a negligible risk of non-compliance.

Due-diligence requirement

Prior to importing the covered and derived products from non-EU countries into the EU, the operators or EU importers are obligated to furnish a due diligence statement to the competent authority in the EU. It is important to note that Indian exporters will not be able to export their products to the EU if, during the due diligence process, it is identified that there is a substantial risk of the products being in non-compliance with EUDR.

The due diligence process is a three-step process and includes the following:

1. **Collection of detailed information:** Detailed information about the product including the geolocation of the plot of land where the relevant product commodity contained in the relevant product has been produced.
2. **Risk Assessment:** Operators must carry out a 14 criteria-based risk assessment test to identify whether there is a risk of the product being non-compliant with the EUDR. These criteria include the presence of forests, indigenous people, the prevalence of deforestation, etc.
3. **Risk Mitigation Measures:** This step includes measures to reduce potential risks by conducting independent surveys or audits, collecting supplementary documentation, or collaborating closely with suppliers.

Penalties for non-compliance

If an operator or trader has not complied with EUDR, the competent authorities in each EU member country can obligate the operator trader to take corrective actions to ensure compliance

within a reasonable period of time. These corrective measures can include the following:

1. Rectification of any form of non-compliance.
2. Preventing the non-complying product from being placed in the EU market or being exported.
3. Immediate withdrawal or recall of the non-complying product.
4. Donating the non-complying product or disposing of it.

However, it is important to note that even if the operator or trader has undertaken the relevant corrective measures, they can still be subjected to significant penalties, which include:

1. Monetary fines that are commensurate with the environmental harm and the value of the goods. The fines will increase with the recurrence of violations. Further, the fines are required to be at least 4% of the operator's or trader's union annual turnover.
2. Confiscation of products of the operator or trader.
3. Confiscation of revenues gained by the operator or trader.
4. Temporary exclusion, for a maximum period of 12 months, from public procurement and public funding.
5. Temporary prohibition from placing relevant goods in the European market.
6. Prohibition from using simplified due-diligence process.

Impact on Indian exporters

From a legal perspective, the obligation under the EUDR can indeed cause apprehensions for exporters from India. However,

exporters have time till 30 December 2024 till the obligations under the EUDR kick in. From this date, all companies importing relevant products in the EU will have to submit a due-diligence statement in order for the covered and derived products to be sold in the EU market.

Since the EUDR casts significant obligations on EU operators and traders, they would be cautious in importing relevant products. They would want to import only those products that are deforestation-free and comply with all the relevant legislations of the country of

production. For fulfilling these requirements, they would want to only trade with those suppliers who are able to comply with the EUDR.

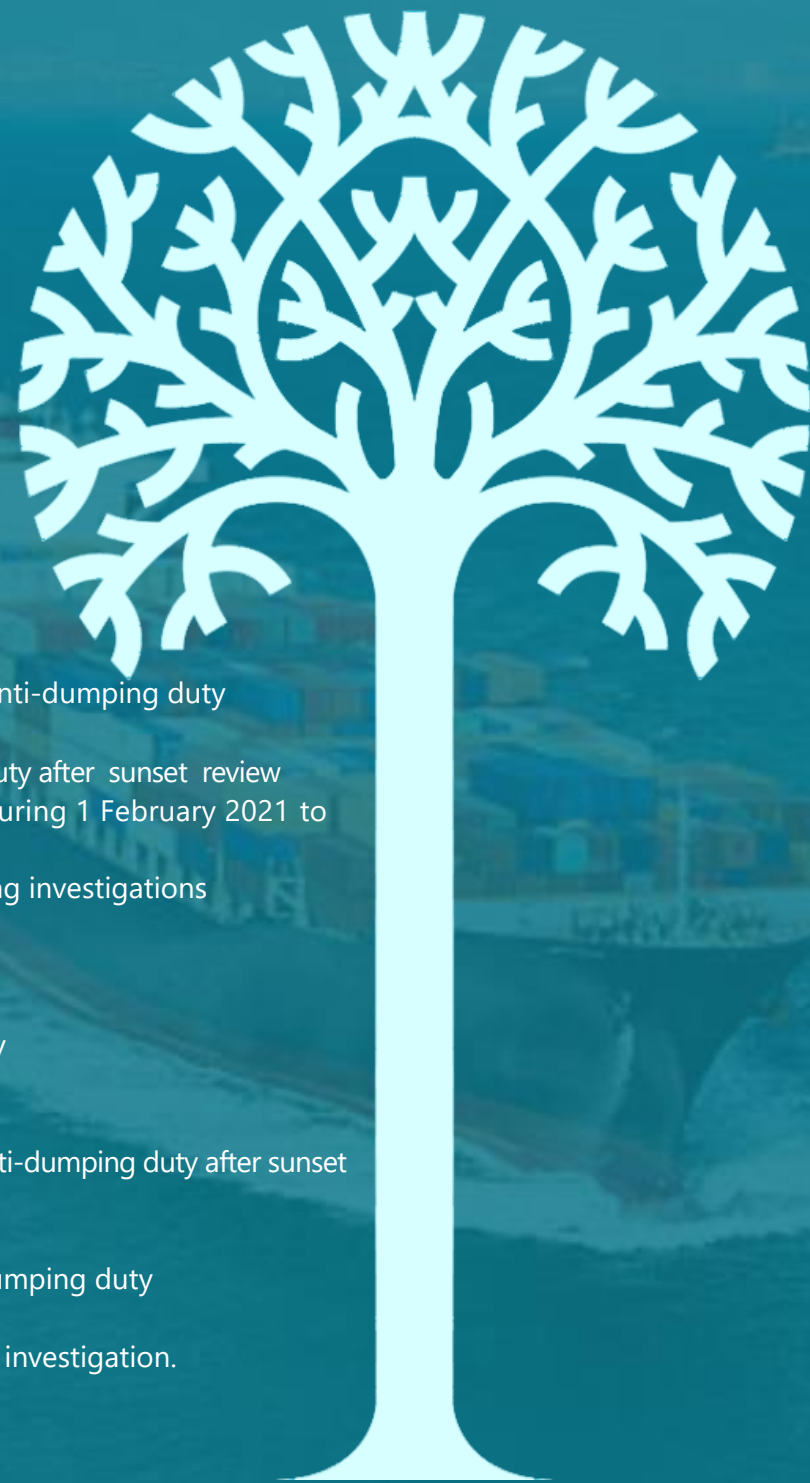
Though this would increase the compliance cost of Indian exporters, it can present an opportunity for those Indian exporters who are able to comply *vis-à-vis* those exporters who find it difficult to comply with these stringent requirements. While compliance can be costly and demanding, it also offers a path to sustainability and, enhanced market competitiveness.

[The author is an Associate in WTO and International Trade Division in Lakshmikumaran & Sridharan Attorneys, New Delhi]

Trade Remedy News



- Acetone from EU, Singapore, South Africa and USA – India initiates mid-term review of anti-dumping duty
- Ceramic sinks, wash basins, wash basin pedestals, baths, bidets, water closet pans, flushing cisterns, urinals and similar sanitary fixtures, from India – Cooperation Council for the Arab States of the Gulf (GCC) initiate anti-dumping investigation
- Cold-drawn mechanical tubing of carbon and alloy Steel from India – USA issues determination that countervailable subsidies were provided to producers and exporters during 1 January 2021 to 31 December 2021
- Cut to length carbon quality steel plate from India – USA continues anti-dumping duty and countervailing duty after sunset review
- Ethylene Vinyl Acetate (EVA) Sheet for Solar Module from China PR – India initiates sunset review of anti-dumping duty
- Fasteners from China PR – India initiates anti-dumping investigation
- Flat base steel wheels of nominal diameter from 16" to 20" from China PR – India continues anti-dumping duty after sunset review
- Frozen warmwater shrimp from India – USA issues determination of sales at less than normal value during 1 February 2021 to 31 January 2022
- Manual saw blades straight fast steel from India – Argentina issues final determination of anti-dumping investigations
- Mattresses from India – USA issues determination of reasonable indication of material injury
- Polyester Textured Yarn from India – Turkey initiates anti-dumping investigation
- Stainless steel bar from India – USA initiates sunset review of anti-dumping duty
- Stainless steel flanges from India – USA issues affirmative result in sunset review of anti-dumping duty
- Steel products from India – UK initiates safeguard extension review
- Sulphur Black from China PR – India initiates anti-dumping investigation
- Synthetic grade Zeolite 4A (Detergent grade) from China PR – India's DGTR recommends continuation of anti-dumping duty after sunset review
- Telescopic channel drawer slider from China PR – India initiates anti-dumping investigation
- Textured tempered coated and uncoated glass from Malaysia – India initiates sunset review of anti-dumping duty
- Unframed glass mirror from China PR – India initiates anti-dumping investigation
- Vacuum insulated flask or other vessels of stainless steel from China PR – India initiates anti-dumping investigation.
- Vulcanized rubber thread and cord from India – Turkey initiates anti-dumping investigation.



Trade Remedy actions by India

Product	Country	Notification No.	Date of notification	Remarks
Acetone	EU, Singapore, South Africa and USA	F. No. 7/09/2023-DGTR	18 September 2023	Mid-term review of anti-dumping duty initiated
Ethylene Vinyl Acetate (EVA) Sheet for Solar Module	China PR	F. No. 7/12/2023-DGTR	20 September 2023	Sunset review of anti-dumping duty initiated
Fasteners	China PR	F. No. 6/16/2023-DGTR	22 September 2023	Anti-dumping investigation initiated
Flat base steel wheels of nominal diameter from 16" to 20"	China PR	9/2023-Cus. (ADD)	11 September 2023	Anti-dumping duty continued after sunset review
Sulphur Black	China PR	F. No. 6/08/2023 - DGTR	20 September 2023	Anti-dumping investigation initiated
Synthetic grade Zeolite 4A (Detergent grade)	China PR	F. No. 7/14/2022-DGTR	12 September 2023	Sunset review of anti-dumping duty recommends continuation of duty
Telescopic channel drawer slider	China PR	F. No. 6/13/2023-DGTR	20 September 2023	Anti-dumping duty initiated
Textured tempered coated and uncoated glass	Malaysia	F. No. 07/11/2023-DGTR	19 September 2023	Sunset review of anti-dumping duty initiated
Unframed glass mirror	China PR	F. No. 6/12/2023-DGTR	21 September 2023	Anti-dumping investigation initiated
Vacuum insulated flask or other vessels of stainless steel	China PR	F. No. 6/10/2023-DGTR	20 September 2023	Anti-dumping investigation initiated

Trade remedy measures against India

Product	Investigating Country	Document No.	Date of Document	Remarks
Ceramic sinks, wash basins, wash basin pedestals, baths, bidets, water closet pans, flushing cisterns, urinals and similar sanitary fixtures	Cooperation Council for the Arab States of the Gulf (GCC)	GCC Official Gazette	13 August 2023	Anti-dumping investigation initiated
Cold-drawn mechanical tubing of carbon and alloy Steel	USA	88 FR 60928	6 September 2023	Determination that countervailable subsidies were provided to producers and exporters during 1 January 2021 to 31 December 2021
Cut to length carbon quality steel plate	USA	88 FR 62060	8 September 2023	Anti-dumping duty and countervailing duty continued after sunset review
Frozen warmwater shrimp	USA	88 FR 60431	1 September 2023	Determination of sales at less than normal value during 1 February 2021 to 31 January 2022
Manual saw blades straight fast steel	Argentina	No-2023-88874042-APN-SC#MEC	1 August 2023	Final determination of anti-dumping investigations
Mattresses	USA	88 FR 63616	15 September 2023	Determination of reasonable indication of material injury
Polyester Textured Yarn	Turkey	Communiqué No: 2023/25	5 September 2023	Anti-dumping investigation initiated
Stainless steel bar	USA	88 FR 60438	1 September 2023	Sunset review of anti-dumping duty initiated
Stainless steel flanges	USA	88 FR 60642	5 September 2023	Sunset review of anti-dumping duty – Affirmative result issued

Product	Investigating Country	Document No.	Date of Document	Remarks
Steel products	UK	Review No. SE0041	4 September 2023	Safeguard extension review initiated
Vulcanized rubber thread and cord	Turkey	Communique No: 2023/22	13 September 2023	Anti-dumping investigation initiated



WTO News

- Ukraine disputes measures by Poland, Hungary and Slovak Republic, restricting import of certain agricultural goods from Ukraine
- China appeals panel report regarding Chinese duties on certain US products

Ukraine disputes measures by Poland, Hungary and Slovak Republic, restricting import of certain agricultural goods from Ukraine

Ukraine has sought consultations with Poland, Hungary and the Slovak Republic against certain measures put in place by these countries restricting import of specified agricultural goods from Ukraine, including measures restricting freedom of transit of Ukrainian agricultural goods through the territories of these countries to other EU Member countries. According to Ukraine, these measures are violative of Articles XI:1, V:2, and X:1 of the GATT 1994, and Articles 4.2 and 5 of the Agreement on Agriculture.

It may be noted that Hungary, Poland and the Slovak Republic had introduced a temporary import ban on various agricultural goods originating in Ukraine. These measures were subsequently replaced by import prohibitions at the EU level with the possibility of extending this measure. The EU's import prohibition is not currently in force.

China appeals panel report regarding Chinese duties on certain US products

China has notified its decision to appeal the panel report in the case brought by the United States in "*China — Additional Duties on Certain Products from the United States*" (DS558). The panel report was circulated to WTO members on 16 August. The appeal was circulated to WTO members on 20 September 2023.

India Customs & Trade Policy Update



- Chickpeas, lentils, almonds, apples, etc., imported from USA – Basic customs duty reverted to MFN rate
- Project imports – BCD exemption to specified project imports extended till 30 September 2025
- RoDTEP scheme extended for exports from 1 October 2023 till 30 June 2024
- Pre-import condition under Advance Authorisation – Implementation from 13 October 2017 till 9 January 2019 clarified
- Rice – Export of specified quantities of non-basmati white rice permitted to UAE, Bhutan, Mauritius, and Singapore
- Isopropyl Alcohol import by SEZ unit – Country-wise quantitative restrictions not applicable



Chickpeas, lentils, almonds, apples, etc., imported from USA – Basic customs duty reverted to MFN rate

The Ministry of Finance has omitted Sl. Nos. 21F, 24AA and 32B in Notification No. 50/2017-Cus., dated 30 June 2017 which had prescribed a higher rate of Basic Customs Duty (BCD) on imports of lentils (mosur) [TI 0713 40 00], almonds in shell [TI 0802 11 00], and apples [TI 0808 10 00] from the United States of America. Accordingly, the effective customs duty on these products will be reduced to the level of Most Favored Nation (MFN) rate. Further, Notification No. 53/2023-Cus., dated 5 September 2023 and effective from 6 September 2023 also omits reference to Sl. Nos. 21C, 21D, 21E, 24A, 24B, 26A, 32A, 177B and 249A of the basic notification in the first proviso thereof, which states that nothing contained in these entries shall apply to goods originating in the USA. These entries are for chickpeas, lentils, almonds in shell and shelled, walnuts in shell, apples (fresh), boric acid, and certain diagnostic or laboratory reagents.

Project imports – BCD exemption to specified project imports extended till 30 September 2025

The Ministry of Finance has extended the exemption/reduced effective rate regarding Basic Customs Duty to certain specified project imports till 30 September 2025. The exemption was earlier expiring on 30 September 2023. The projects on which exemption has been extended include goods required for coal mining projects; power generation projects; power transmission, sub-transmission or distribution projects; specified mega power projects; project for LNG regasification

project; aerial passenger ropeway project; specified nuclear power project; and specified water supply projects. Notification No. 54/2023-Cus., dated 14 September 2023 has been issued for the purpose.

RoDTEP scheme extended for exports from 1 October 2023 till 30 June 2024

The Ministry of Commerce has extended the Remission of Duties and Taxes on Exported Products (RoDTEP) scheme for exports made during the period from 1 October 2023 till 30 June 2024. As per DGFT Notification No. 33/2023, dated 26 September 2023, the benefit at the existing rates would be subject to the budgetary framework as provided under Para 4.54 of Foreign Trade Policy 2023 so that the remissions for current financial year are managed within the approved budget of the scheme.

Pre-import condition under Advance Authorisation – Implementation from 13 October 2017 till 9 January 2019 clarified

The DGFT has clarified that pre-import condition will not be considered to have been violated in case of advance authorization under which exports are made during 13 October 2017 to 9 January 2019 and the import is made on or after 10 January 2019. It has also been clarified that pre-import condition will not be applicable if advance authorizations were issued on or prior to 9 January 2019 and imports are after such date. DGFT Trade Notice No. 27/2023, dated 25 September 2023 issued for the purpose also clarifies that imports made on or after 10 January 2019 will not be subject to pre-import condition further in case where partial imports were made upto and including 9 January 2019. The Trade Notice also clarifies that imports

will not be subject to pre-import condition irrespective of the date of import in case imports are made under advance authorization on payment of IGST and compensation cess.

Rice – Export of specified quantities of non-basmati white rice permitted to UAE, Bhutan, Mauritius, and Singapore

Ministry of Commerce has permitted export of non-basmati white rice to UAE, Bhutan, Mauritius, and Singapore through National Cooperative Exports Ltd. DGFT Notification No. 30/2023, dated 30 August 2023, issued for the purpose, allows export of 79000 MTs to Bhutan, 14000 to Mauritius, and 50000 to Singapore. Similarly, Notification No. 32/2023, dated 25 September 2023 allows export of 75000 MTs of the said rice to UAE. It may be noted that India had on 20 July 2023 *vide* Notification No. 20/2023 revised the export policy of the non-basmati white rice from 'free' to 'prohibited', and as per Para 2(iv) of the said earlier notification, exports of said product can be allowed on the basis of permission granted by the Government of

India to other countries to meet their food security needs and based on the request of such Governments.

Isopropyl Alcohol import by SEZ unit – Country-wise quantitative restrictions not applicable

The Directorate General of Foreign Trade (DGFT) has clarified that import of Isopropyl Alcohol, covered under ITC(HS) Code 2905 12 20, by SEZ units, is out of the purview of Notification No. 64/2015-20, dated 31 March 2023. Accordingly, it is stated that import of said product in SEZ shall not be subject to country-wise quantitative restrictions provided no Domestic Tariff Area (DTA) sale of the said product is allowed by SEZ units. DGFT Policy Circular No. 4/2023-24, dated 31 August 2023 issued for the purpose notes that the investigation made by the DGTR regarding increase in volume of imports and consequent injury to the domestic industry was largely based on the trend in imports into the DTA.



Ratio

Decidendi

- Refund when definitive anti-dumping duty revoked by simultaneous notification after a mid-term review – Applicability of revocation for past period – CESTAT Ahmedabad
- Universal Joint Parts for Transmission Shafts for further use in motor vehicles are classifiable under Heading 8483 and not under Heading 8708 – CESTAT Delhi
- Nikon camera Model No. N2120 is principally a still image digital camera though has unlimited video recording time – Classifiable under TI 8525 89 00 and covered under S. No. 502 of Notification No. 50/2017-Cus. – Customs AAR
- 'Interactive large format display' is classifiable under Customs TI 8471 4190 (ADP machine) and not under Heading 8528 – Customs AAR

Refund when definitive anti-dumping duty revoked by simultaneous notification after a mid-term review – Applicability of revocation for past period

Relying on Madras High Court decision in the case of *Vetcare Organics Pvt. Ltd.*, the CESTAT Ahmedabad has allowed assessee-importer's appeal in a case where the Department had denied the refund of anti-dumping duty solely on the ground that the notification rescinding the anti-dumping duty was not applicable to past clearances.

The issue involved import of phenol from Taiwan and USA where the DGAD in its final findings dated 9 February 2012 in a mid-term review, covering period January 2010 till December 2010, had recommended revocation of anti-dumping duty. The recommendations were implemented by the Ministry of Finance by Notification No. 14/2012-Cus. (ADD), dated 29 February 2012 by revoking anti-dumping duty. In the refund claim in respect of imports made during April 2010 to February 2012, the assessee had contended that since the DGAD had concluded there was lower dumping margin and negative injury, the anti-dumping duty paid by them was refundable. The Revenue department however, relying upon the words '*except as respects things done or omitted to be done before such suppression*', as they appeared in Notification No. 14/2012-Cus. (ADD), rejected the refund holding that the notification was not applicable to past period.

Allowing the assessee's appeal, the Tribunal observed that the exact expression ('*except as respects things done or omitted to be done before such suppression*') was examined by the Madras High Court while it had allowed the writ petition of the importer and declared that Notification No. 5/2001-Cus., insofar as it purported to save things done or omitted to be done before such rescission, was *ultra vires* Sections 9A, 9AA, 9B and 10 of the Customs Tariff Act, 1975, Article 265 of the Constitution of India and Rules 13, 17, 18(4) and 21(3) of the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995. [*Century Plyboards Ltd. v. Commissioner* – 2023 TMI 666-CESTAT Ahmedabad]

Universal Joint Parts for Transmission Shafts for further use in motor vehicles are classifiable under Heading 8483 and not under Heading 8708

The CESTAT Delhi has held that Universal Joint Parts to be used in Transmission Shafts which may be further used in motor vehicles, are to be classified under Heading 8483 and not under Heading 8708 of the Customs Tariff Act, 1975. Relying upon Section Note 2 of Section XVI of the Customs Tariff Act, the Tribunal observed that in view of the specific exclusion (by Section Note 2 of Section XVII) of 'articles of heading 8483' from the ambit of the Section XVII under which Chapter 87 falls, the impugned goods will not fall under Chapter 87. [*Kafila Forge Ltd. v. Principal Commissioner* – 2023 TIOL 831 CESTAT DEL]

Nikon camera Model No. N2120 is principally a still image digital camera though has unlimited video recording time – Classifiable under TI 8525 89 00 and covered under S. No. 502 of Notification No. 50/2017-Cus.

The Customs Authority for Advance Ruling has held that Nikon Camera Model No. N2120 imported as a complete product (i.e. camera body, lens (optional), battery and battery charger, adapter etc.), is classifiable under Tariff Item 8525 89 00 of the Customs Tariff Act, 1975 and eligible for benefit under S. No. 502 of Notification No. 50/2017-Cus. dated 30 June 2017. Observing that the recording time in the cameras to be imported by the applicant was not limited, the AAR was of the view that such cameras will hence fall outside the purview of 'Digital Still Image Video Camera' as covered under Circular No. 32/2007-Cus., dated 10 September 2007. Further, considering the product's design and its features, the AAR held that subject goods primarily exhibited higher capabilities towards still image photography and hence was principally a still image digital camera.

It may be noted that the AAR also rejected the contention of the Department that since goods were already being imported by the applicant, the Advance Ruling application merits rejection under Section 28E(b) of the Customs Act, 1962. The Authority went on to issue a ruling while it observed that the same would provide certainty to classification and applicability of exemption notification even

though, the application relates to an on-going activity. The AAR, further noting that the concerned Commissionerate had not supplied details of import of the subject goods made by the applicant, relied on the applicant's declaration that commercial imports of the subject goods had taken place after filing of the instant application for advance ruling. [In RE: *Nikon India Pvt. Ltd.* – 2023 VIL 30 AAR CU]

'Interactive large format display' is classifiable under Customs TI 8471 4190 (ADP machine) and not under Heading 8528

The Customs Authority for Advance Rulings has held that Interactive Large Format Display merit classification under Tariff Item 8471 41 90 of the Customs Tariff Act, 1975. Rejecting Department's preferred classification under Tariff Heading 8528, the AAR observed that once an item has inbuilt input unit, output unit along with processing unit then it is obvious that the item is capable of performing multiple functions. Further, observing that the word 'interactive' in the description of the goods brings to the front its various capabilities, the AAR was of the view that the capabilities of the subject goods meet the requirement under Chapter Note 6(A) of Chapter 84 for a machine to mean as 'automatic data processing machine'. The AAR in this regard observed that hence the issue of classification in the instant application gets settled in terms of Rule 1 and Rule 6 of General Rules for Interpretation of Import Tariff, without inviting reference to Rule 3. [In RE: *Lenovo India Pvt. Ltd.* – 2023 VIL 27 AAR CU]

<p>NEW DELHI 5 Link Road, Jangpura Extension, Opp. Jangpura Metro Station, New Delhi 110014 Phone : +91-11-4129 9811 ----- B-6/10, Safdarjung Enclave New Delhi -110 029 Phone : +91-11-4129 9900 E-mail : lsdel@lakshmisri.com</p>	<p>MUMBAI 2nd floor, B&C Wing, Cnergy IT Park, Appa Saheb Marathe Marg, (Near Century Bazar)Prabhadevi, Mumbai - 400025 Phone : +91-22-24392500 E-mail : lsbom@lakshmisri.com</p>
<p>CHENNAI 2, Wallace Garden, 2nd Street, Chennai - 600 006 Phone : +91-44-2833 4700 E-mail : lsmds@lakshmisri.com</p>	<p>BENGALURU 4th floor, World Trade Center, Brigade Gateway Campus, 26/1, Dr. Rajkumar Road, Malleswaram West, Bangalore-560 055. Phone : +91-80-49331800 Fax:+91-80-49331899 E-mail : lsblr@lakshmisri.com</p>
<p>HYDERABAD 'Hastigiri', 5-9-163, Chapel Road, Opp. Methodist Church, Nampally Hyderabad - 500 001 Phone : +91-40-2323 4924 E-mail : lshyd@lakshmisri.com</p>	<p>AHMEDABAD B-334, SAKAR-VII, Nehru Bridge Corner, Ashram Road, Ahmedabad - 380 009 Phone : +91-79-4001 4500 E-mail : lsahd@lakshmisri.com</p>
<p>PUNE 607-609, Nucleus, 1 Church Road, Camp, Pune-411 001. Phone : +91-20-6680 1900 E-mail : ls pune@lakshmisri.com</p>	<p>KOLKATA 2nd Floor, Kanak Building 41, Chowringhee Road, Kolkatta-700071 Phone : +91-33-4005 5570 E-mail : lskolkata@lakshmisri.com</p>
<p>CHANDIGARH 1st Floor, SCO No. 59, Sector 26, Chandigarh -160026 Phone : +91-172-4921700 E-mail : lschd@lakshmisri.com</p>	<p>GURGAON OS2 & OS3, 5th floor, Corporate Office Tower, Ambience Island, Sector 25-A, Gurgaon-122001 phone: +91-0124 - 477 1300 Email: ls gurgaon@lakshmisri.com</p>
<p>PRAYAGRAJ (ALLAHABAD) 3/1A/3, (opposite Auto Sales), Colvin Road, (Lohia Marg), Allahabad -211001 (U.P.) Phone : +91-532-2421037, 2420359 E-mail : lsallahabad@lakshmisri.com</p>	<p>KOCHI First floor, PDR Bhavan, Palliyil Lane, Foreshore Road, Ernakulam Kochi-682016 Phone : +91-484 4869018; 4867852 E-mail : lskochi@laskhmisri.com</p>
<p>JAIPUR 2nd Floor (Front side), Unique Destination, Tonk Road, Near Laxmi Mandir Cinema Crossing, Jaipur - 302 015 Phone : +91-141-456 1200 E-mail : lsjaipur@lakshmisri.com</p>	<p>NAGPUR First Floor, HRM Design Space, 90-A, Next to Ram Mandir, Ramnagar, Nagpur - 440033 Phone: +91-712-2959038/2959048 E-mail : lsnagpur@lakshmisri.com</p>

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