



OFFICE OF THE COMMISSIONER OF CUSTOMS (NS-III),
TURANT SUVIDHA KENDRA, GROUND FLOOR,
JAWAHARLAL NEHRU CUSTOM HOUSE,
POST: SHEVA, TALUKA: URAN, DIST: RAIGAD,
MAHARASHTRA - 400 707

DIN: 20240678NV000000BA3C

Dated:24.06.2024

Public Notice No. 55/2024

Subject: Guidelines for verification under CAROTAR 2020, of the Country of Origin Certificates (COO) issued under various Preferential Trade Agreements (commonly also referred to as Free Trade Agreements – FTAs) - reg.

Attention is drawn towards Section 28DA of the Customs Act, 1962, read with Rules 4, 5 and 6 of the Customs (Administration of Rules of Origin under Trade Agreements) Rules, 2020, notified vide Notification No. 81/2020-Customs (N.T.) dated, 21st August, 2020, also known as CAROTAR 2020, and CBIC Circular No. 38/2020-Customs dated 21.08.2020, which empower the proper officer to seek information and supporting documents from the importer claiming preferential rate of duty, if the proper officer has reason to believe that origin criteria prescribed in the respective Rules of Origin have not been met.

2. The officials of Turant Suvidha Kendra (TSK) are responsible for verification of relevant documents uploaded in e-Sanchit module of ICES and defacing of original documents, including the Country of Origin Certificate issued under the Preferential Trade Agreements (hereinafter referred to as FTA-COO). In recent past, following difficulties were being faced by the officials of TSK in verification and defacing of FTA-COO in case of third country invoicing:

- (i) The presented FTA-COO does not provide FOB value in the relevant column;
- (ii) The third country invoice does not indicate FOB value indicated in the FTA-COO;
- (iii) The third country invoice indicates a greater number of items than indicated in the FTA-COO;
- (iv) The Bill of Entry presented before Customs on the basis of third country invoice indicates a different CTH as compared to the CTH indicated in the FTA-COO.

3. The procedure for verification of the FTA-COO, as provided in Public Notice No. 33/2024 dated 20.03.2024 has been reviewed in detail, taking into account the pattern of

2

documentation in respect of third country invoicing for imports made with claim of benefit under the Preferential Trade Agreements, trade practices in vogue and in light of the relevant statutory provisions. In supersession of the procedure prescribed vide the said Public Notice, for verification of eligibility of benefit of the relevant FTA on the basis of scrutiny of documents, the following procedure is prescribed:

- i. The importer will need to submit the FTA-COO indicating the FOB value in the relevant column of the FTA-COO, along with the third country invoice details. The amount of freight and insurance will also need to be disclosed, either in the third country invoice or by submission of freight certificate and insurance receipt. However, this will not be applicable in case of FTA-COO which does not have FOB value column, e.g. FTA-COO issued under India-Japan CEPA.
- ii. If the INCOTERMS of third country invoice is FOB, and the FOB value indicated on the third country invoice is same as that indicated on the FTA-COO, the same prima facie indicates that the FOB value indicated on the FTA-COO includes the value addition (profit and other charges) of the third country supplier. The same is not permitted under the Preferential Trade Agreements. In such cases, the importer shall include an explanation for the identical FOB values mentioned in the two documents, viz. FTA-COO and the third country invoice at the time of submission of self-assessed Bill of Entry.
- iii. If the Bill of Lading which indicates "FREIGHT PREPAID", and which is issued in favour of the Shipper located in the country of origin (exporting country), then the importer will need to submit freight certificate if the freight has been paid by any person other than the Shipper indicated on the Bill of Lading.
- iv. In the cases wherein the FTA-COO is issued on the basis of third country invoice, i.e. the details of the third country invoice are mentioned in the FTA-COO, then the values mentioned in the said two documents FTA-COO and third country invoice need to be in the same currency. This will help in quick verification of eligibility of benefit of the relevant FTA on the basis of scrutiny of documents.
- v. If the third country invoice indicates a greater number of items than indicated in the FTA-COO, then benefit of FTA will be admissible to only the items covered in the FTA-COO and the balance items will be assessed at merit rate.
- vi. If the third country invoice indicates a different CTH as compared to the CTH indicated in the FTA-COO, and the product description is the same in both the documents, then the importer will be required to self-declare the preferred CTH in the Bill of Entry. The proper officer will scrutinise the documents and take appropriate decision as part of assessment and as per provisions of the relevant FTA notifications including related non-tariff notification. In case the product description in the third country invoice and FTA-COO are different, the eligibility for FTA

benefits will be scrutinised as per the provisions of the law.

3

4. The proper officer will give option to the importer for early clearance against bond and Bank Guarantee if the importer needs more time to submit information and supporting documents sought by the proper officer under Rule 5 of CAROTAR, 2020.
5. If verification request under Rule 6 of CAROTAR, 2020 is required to be sent, then the proper officer shall submit specific questionnaire to DIC (Directorate of International Customs), after obtaining necessary details from the importer.
6. This Public Notice should be considered as a Standing Order for the concerned Officers and Staff of this Custom House.
7. Any difficulty faced in implementation of this public notice may be brought to the notice of Assistant Commissioner in charge of TSK at email address: tsk-jnch@gov.in.
8. This is issued with approval of the Chief Commissioner of Customs, Zone-II.

Signed by Ashwini Kumar
Date: 24-06-2024 17:14:01

(Ashwini Kumar)
Commissioner of Customs,
NS-III, JNCH, Mumbai-II

Copy to:-

1. The Chief Commissioner of Customs, Mumbai Zone-II, JNCH
2. The Commissioner of Customs, Nhava Sheva-General, I, II, III, IV & V, JNCH
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