

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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POLICY

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India

Post: New Delhi

Tariff Hike on Certain U.S. Agricultural Products postponed to Mar 2

Report Categories:

Agriculture in the News

Tree Nuts

Fresh Fruit

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Fresh Deciduous Fruit

Trade Policy Monitoring

Policy and Program Announcements

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Report Highlights:

On January 29, 2019, the Government of India's (GOI) Ministry of Finance (MOF) deferred the implementation date of an increase in the basic custom duty (BCD) on several U.S. agricultural products (i.e. shelled and in-shell almonds, in-shell walnuts, fresh apples, and pulses), until March 2, 2019.

General Information:

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Date of Announcement: January 29, 2019

Date of Enforcement: March 02, 2019

Products Effected: Shelled almonds, in-shell almonds, in-shell walnuts, fresh apples, and pulses

Agency in Charge: Government of India's Ministry of Finance.

On January 29, 2019, the MOF issued notification [03/2019](#) announcing a 30-day delay, from January 31, 2019, to March 02, 2019, for implementation of increases in the effective Basic Custom Duty on certain U.S. agricultural imports. If implemented, these tariff increases would apply only to U.S.-origin shelled and in-shell almonds, in-shell walnuts, apples, and pulses

Background Information:

On June 20, 2018, the MOF issued notifications [48/2018](#) and [49/2018](#) announcing tariff increases on certain U.S.-origin agricultural products, effective August 4. (See GAIN [IN8078](#))

On August 3, 2018, the Department of Revenue under the MOF issued notification [56/2018](#) that announced a 45-day delay, from August 4, 2018, to September 18, 2018, for tariff increases on certain U.S. agricultural imports to go into effect. (See GAIN [IN8093](#))

On September 17, 2018, the MOF issued notification [62/2018](#) announcing a 45-day delay, from September 18, 2018, to November 2, 2018, for implementation of increases in the effective Basic Custom Duty (BCD) on certain U.S. agricultural imports by another 45 days, until November 2, 2018. (See GAIN [IN8108](#))

On November 2, 2018, the MOF issued notification [77/2018](#) announcing a 45-day delay, from November 2, 2018, to December 17, 2018, for implementation of increases in the effective Basic Custom Duty (BCD) on certain U.S. agricultural imports. (See GAIN: [IN8124](#))

On December 17, 2018, the MOF issued notification [80/2018](#) announcing a 45-day delay, from December 17, 2018, to January 31, 2019, for implementation of increases in the effective Basic Custom Duty (BCD) on certain U.S. agricultural imports. If implemented, these tariff increases would apply only to U.S.-origin shelled and in-shell almonds, in-shell walnuts, apples, and pulses. (See GAIN [IN8135](#))

Table 1. India: Products Effected and Effective BCD to be Implemented on March 02, 2019
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Serial no.	HS Code	Product Description	Existing Basic Custom Duty (BCD)		03/2019 Notification		
			Standard BCD	Effective BCD	Effect Date	Effective BCD on Other origins	Effective BCD on U.S. Origin
1.	08021200	Almonds Shell	INR100/kg	INR100/kg	March 02	INR100/kg	INR120/kg
2.	08021100	Almonds In-Shell	INR35/kg	INR35/kg	March 02	INR35/kg	INR42/kg
3.	08023100	Walnuts In-Shell	100%	100%	March 02	100%	120%
4.	08081000	Apples Fresh	50%	50%	March 02	50%	75%
5.	07132010	Chickpeas	30%	60%	March 02	60%	70%
6.	07132020	Bengal Gram (Desichana)	30%	60%	March 02	60%	70%
7.	07132090	Chickpeas (Garbanzo)	30%	60%	March 02	60%	70%
8.	07134000	Lentils	30%	30%	March 02	30%	40%

[TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY, PART II,
SECTION 3, SUB-SECTION (i)]

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
(Department of Revenue)

Notification No. 03/2019-Customs

New Delhi, the 29th January, 2019

G.S.R. (E).- In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962) and sub-section (12) of section 3 of the Customs Tariff Act, 1975 (51 of 1975), the Central Government, being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India, Ministry of Finance (Department of Revenue), No. 50/2017-Customs, dated the 30th June, 2017, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), *vide* number G.S.R. 785(E), dated the 30th June, 2017, namely:-

In the said notification, in the Table,

- (i) against S. No. 495,
- (a) in column (2), for the words "Any Chapter", the figures "8507" shall be substituted;
 - (b) in column (4), for the words "Nil", the figures "5%" shall be substituted;
- (ii) against S. No. 512, for the entry in column (3), the following entry shall be substituted, namely: -
- "(a) Parts, components and accessories except: -
 - (i) Lithium ion cell (falling under tariff item 8507 60 00) and;
 - (ii) Printed Circuit Board Assembly (PCBA) (falling under tariff item 8507 90 90) for use in manufacture of lithium-ion batteries other than batteries of mobile handsets including cellular phones falling under tariff item 8507 60 00;
 - (b) Sub-parts for use in manufacture of items mentioned at (a) above.";

- (iii) after S. No. 523 and the entries relating thereto, the following S. No. and entries shall be inserted, namely:-

(1)	(2)	(3)	(4)	(5)	(6)
"523 A.	Any	Parts, sub-parts, inputs or raw material	Nil	-	9";

	Chapter	for use in manufacture of Lithium ion cells falling under tariff item 8507 60 00			
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(iv) against S. No. 524, in column (3), after the words, "Motor vehicles", the brackets and words "(excluding electrically operated vehicles)" shall be inserted;

(v) for S. No. 525 and the entries relating thereto, the following S. No. and entries shall be substituted, namely:-

(1)	(2)	(3)	(4)	(5)	(6)
"525.	8702 or 8704	Electrically operated vehicles, if imported, - (1) As a Knocked Down kit containing all the necessary components, parts or subassemblies, for assembling a complete vehicle with, - (a) disassembled Battery Pack, Motor, Motor Controller, Charger, Power Control Unit, Energy Monitor Contractor, Brake system, Electric Compressor not mounted on chassis; (b) pre-assembled Battery Pack, Motor, Motor Controller, Charger, Power Control Unit, Energy Monitor Contractor, Brake System, Electric Compressor not mounted on a chassis or a body assembly (2) in a form other than (1) above	10% 15% 25%	- - -	- - -";

(vi) against S. No. 526, in column (3), after the words, "Motor vehicles and other motor vehicles", the brackets and words "(excluding electrically operated vehicles)" shall be inserted;

(vii) after S. No. 526 and the entries relating thereto, the following S. No. and entries shall be inserted, namely:-

(1)	(2)	(3)	(4)	(5)	(6)
"526 A.	8703	Electrically operated Motor cars and other motor vehicles, principally designed for the transport of persons (other than those of heading 8702), including station wagons and racing cars, if imported,- (1) As a Knocked Down kit containing all the necessary components, parts or sub-assemblies, for assembling a complete vehicle, with,- (a) disassembled Battery Pack, Motor, Motor Controller, Charger, Power Control Unit, Energy Monitor	10%	-	-

		Contractor, Brake system, Electric Compressor not mounted on chassis; (b)pre-assembled Battery Pack, Motor, Motor Controller, Charger, Power Control Unit, Energy Monitor	15%	-	-
		Contractor, Brake System, Electric compressor not mounted on a chassis or a body assembly. (2) In any other form,- (a)with CIF value more than US\$ 40,000	100%	-	-
		(b)other than (a) above	60%	-	-";

(viii) for S. No. 527 and the entries relating thereto, the following S. No. and entries shall be substituted, namely: -

(1)	(2)	(3)	(4)	(5)	(6)
"527.	8507 60 00	Lithium ion cell for use in manufacture of Lithium ion accumulator other than the following, namely: - (a) Battery pack of cellular mobile phone; and (b) Power bank.	5%	-	9";

(ix) against S. No. 528, in column (3),

- (a) the entry against item No. (i) shall be omitted;
- (b) after item (iv), the following items shall be inserted, namely: -
 - "(v) Power Control unit (inverter, AC/DC converter, condenser);
 - (vi) Energy monitor;
 - (vii) Contactor;
 - (viii) Brake system for recovering;
 - (ix) Electric Compressor";

(x) after S. No. 528 and the entries relating thereto, the following S. No. and entries shall be substituted, namely:-

(1)	(2)	(3)	(4)	(5)	(6)
"528 A.	8507	Battery pack for use in the manufacture of electrically operated vehicle or hybrid vehicle	5%	-	9";

(xi) against S. No. 529, in column (3), the entry against item no. (i) shall be omitted;

(xii) against S. No. 531, in column (3), after the words, "an auxiliary motor," the brackets and words, "(excluding electrically operated motor cycles and cycles)" shall be inserted;

(xiii) after serial number 531 and the entries relating thereto, the following S. No. and entries shall be inserted, namely:-

(1)	(2)	(3)	(4)	(5)	(6)
"531 A.	8711	Electrically operated motor cycles (including mopeds) and cycles fitted with an auxiliary motor, with or without side cars, and side cars, if imported, - (1) As a knocked down kit containing all the necessary components, parts or sub-assemblies, for assembling a complete vehicle, with- (a) disassembled Battery Pack, Motor, Motor Controller, Charger, Power Control Unit, Energy Monitor Contractor, Brake system, Electric Compressor not mounted on chassis; (b) pre-assembled Battery Pack, Motor, Motor Controller, Charger, Power Control Unit, Energy Monitor Contractor, Brake System, Electric compressor not mounted on a chassis or a body assembly (2) in a form other than (1) above	10% 15% 50%	- - -	- - -

2. In the third proviso, for the words and figures "31st day of January, 2019", the words and figures "2nd day of March, 2019" shall be substituted;

3. This notification shall come into effect from the 30th day of January, 2019.

[F. No. 354/ 47 /2018- TRU]

(Gunjan Kumar Verma)
Under Secretary to the Government of India

Note: The principal notification No.50/2017-Customs, dated the 30th June, 2017 was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) *vide* number G.S.R. 785(E), dated the 30th June, 2017 and last amended *vide* notification No. 80/2018 -Customs, dated the 15th December, 2018, published *vide* number G.S.R. 1212 (E), dated the 15th December, 2018.

