

## AEPC Circular No :- 143

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**Ph.D., MBA, LLB, B.Sc.**  
**Secretary General, AEPC**

AEPC/HO/SG/R&PA/2022  
29.12.2022

Dear Members,

**Sub: Import of Extra Long Staple Cotton allowed at 0% duty under TRQs in India-Australia Economic Cooperation and Trade Agreement (India-Aus ECTA)**

India and Australia have signed the India-Australia Economic Cooperation and Trade Agreement (Ind-Aus ECTA) on 2.04.2022, which will come into force on 29.12.2022. The agreement is expected to benefit Indian exports from preferential zero duty market access in Australia for 100% of its tariff lines, which will benefit India's labour-intensive sectors such as gems and jewellery, **textiles**, leather, footwear, furniture, food, and agricultural products, engineering products, medical devices, and automobiles. India has provided preferential access to Australia on over 70% of its tariff lines, which are primarily raw materials and intermediaries such as coal, mineral ores etc., which are required for our domestic manufacturing industry.

2. India's apparel exports to Australia were US\$ 288.6 mn in 2021, registering a growth of 41.2% as compared to 2020. India's percentage share in Australia's total apparel import was 3.9% in 2021 and it is expected to increase when tariff will be zero. Currently, Australia's average tariff for India is 4.8%. Hence Ind-Aus ECTA provides a huge potential for apparel exports to Australia.

3. **The duty-free import of raw cotton was valid till 31st October 2022.** The 5% BCD on import of raw cotton and 5% AIDC have increased the cost of raw material, making cotton products more expensive. **AEPC has been requesting the Government to reduce the Import duty on the import of raw cotton, mainly long staple varieties of cotton which are used for making value-added products/exports.**

4. Now, under India-Australia ECTA, DGFT vide Public Notice No. 46/2015-20 dated 28.12.2022 has amended Para 2.107 and Appendix-2A of the handbook of Procedures 2015-2020 to incorporate the items mentioned in the list given below and related provisions for Tariff Rate Quota (TRQ) under India-Australia Economic Cooperation and Trade Agreement (India-Aus ECTA). **Extra Long Staple Cotton of minimum 28 mm staple Length (HS Code 52010020) has been included in this list with 0% duty.** The copy of the Public Notice is enclosed with this Circular for your kind ready reference. Para 2.107 of the HBP is amended to include the following TRQs under Ind-Aus ECTA:

HS code	Item Description	In Quota rate (%)	TRQ Quantity for Calendar Year 2022	TRQ Quantity for Calendar Year 2023 onwards
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07134000	Lentils	50% of the applied rate of duty	1,233 MTs	1,50,000 MTs
08021100	In shell almonds	50% of the applied rate of duty	279 MTs	34,000 MTs
08021200	Shelled almonds			
08051000	Oranges	50% of the applied rate of duty	113 MTs	13,700 MTs
08052100	Mandarins (including tangerines & satsumas)			
08083000	Pears	50% of the applied rate of duty	30 MTs	3,700 MTs
<b><u>52010020</u></b>	<b><u>Extra Long Staple Cotton of minimum 28 mm staple Length</u></b>	<b><u>0% duty</u></b>	<b><u>419 MTs</u></b>	<b><u>51,000 MTs</u></b>

5. The procedure to apply for TRQ is given as follows:

- Australia shall allocate TRQs to exporters or producers by issuing TRQ certificates up to relevant quantities for each TRQ.
- The competent authority for TRQ certificates in Australia shall share each TRQ certificate over email with DGFT at [ddg1import-dgft@gov.in](mailto:ddg1import-dgft@gov.in) and [policy2-dgft@gov.in](mailto:policy2-dgft@gov.in)
- The Indian Importer shall file an application for TRQ certificate to DGFT on the DGFT Website (<https://dgft.gov.in>) ->Services -> Import Management System -> Tariff Rate Quota (TRQ) -> 'Apply for TRQ'. The given applicant shall mandatorily upload or provide reference to the Export TRQ issued to the Australian Exporter by the competent authority of Australia.
- The TRQ issued by DGFT shall contain the name and address of the importer, importer-Exporter Code (IEC), Customs notification number, tariff item as applicable, quantity and validity period of the TRQ.
- The TRQ authorization shall be issued electronically by the Directorate General of Foreign Trade and transmitted to Indian Customs EDI System (ICES).
- Imports against the TRQ shall be allowed only upon debiting electronically in the ICES system.
- The year in respect of these TRQ imports will be the period from 1st January to 31st December , i.e. calendar year in India.
- There shall be no end date for applying for the TRQ certificate in the given year. DGFT shall monitor the cumulative quantities for TRQ certificates issued. No TRQ certificates shall be issued once the stated TRQ quantity limit is reached.
- TRQ certificate shall be valid for a maximum period of 12 months or the end of the year, whichever is earlier. The imports against a TRQ authorization may be cleared from Indian Customs only within the stated validity of the TRQ authorisation.

- Import would be subject to Ministry of Finance (Department of Revenue) Notification No. 66/2022-Customs dated 26th December, 2022 relating to Ind-Aus ECTA (as amended from time to time). Further, DGFT reserves the right to make any changes in the modalities/allocation process at any point of time, as deemed fit.
- Procedure for application for imports under TRQ under Ind-Aus ECTA as enumerated above, shall be inserted under Annexure V of Appendix 2A of Handbook of Procedures 2015-20.

6. AEPC's Circulars are available on AEPC's Website [www.aepcindia.com](http://www.aepcindia.com)

7. This is for your information please.

With regards.

Yours sincerely,  
Dr. L. B. Singhal

Enclosure: DGFT Public Notice No.46/2015-20

[To Be Published in The Gazette of India Extraordinary Part-I, Section-I]

Government of India  
Ministry of Commerce and Industry  
Department of Commerce  
Directorate General of Foreign Trade  
Vaniya Bhawan

**Public Notice No. 46 / 2015-20**  
**New Delhi, Dated the 28<sup>th</sup> of December 2022**

**Subject: Amendments under Para 2.107 and Appendix-2A of Handbook of Procedure 2015-20 for inclusion of TRQs under India-Australia Economic Cooperation and Trade Agreement (Ind-Aus ECTA)**

**S.O. (E):** In exercise of powers conferred under paragraph 1.03 and 2.04 of the Foreign Trade Policy, 2015-20, the Directorate General of Foreign Trade hereby amends Para 2.107 and Appendix-2A of the Handbook of Procedure 2015-2020 to incorporate the items mentioned and related provisions for Tariff Rate Quota (TRQ) under India-Australia Economic Cooperation and Trade Agreement (Ind-Aus ECTA) as follows –

1. Para 2.107 of the HBP is amended to include the following annual Import TRQs under Ind-Aus ECTA -

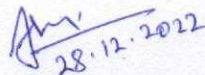
HS code	Item Description	In Quota rate (%)	TRQ Quantity for Calendar year 2022	TRQ Quantity Calendar Year 2023 onwards
07134000	Lentils	50% of the applied rate of duty	1,233 MTs	1,50,000 MTs
08021100	In shell almonds	50% of the applied rate of duty	279 MTs	34,000 MTs
08021200	Shelled almonds			
08051000	Oranges	50% of the applied rate of duty	113 MTs	13,700 MTs
08052100	Mandarins (including tangerines & satsumas)			
08083000	Pears	50% of the applied rate of duty	30 MTs	3,700 MTs
52010020	Extra Long Staple Cotton of minimum 28 mm staple length	0% duty	419 MTs	51,000 MTs

2. Australia shall allocate TRQs to exporters or producers by issuing TRQ certificates up to relevant quantities for each TRQ.

3. The competent authority for TRQ certificates in Australia shall share each TRQ certificate over email with DGFT at [ddg1import-dgft@gov.in](mailto:ddg1import-dgft@gov.in) and [policy2-dgft@gov.in](mailto:policy2-dgft@gov.in)

4. The Indian Importer shall file an application for TRQ Certificate to DGFT on the DGFT Website (<https://dgft.gov.in>) → Services → Import Management System → Tariff Rate Quota (TRQ) → 'Apply for TRQ'. The given applicant shall mandatorily upload or provide reference to the Export TRQ issued to the Australian Exporter by the competent authority in Australia.
5. The TRQ issued by DGFT shall contain the name and address of the importer, Importer -Exporter Code (IEC), Customs notification number, tariff item as applicable, quantity and validity period of the TRQ.
6. The TRQ authorisation shall be issued electronically by the Directorate General of Foreign Trade and transmitted to Indian Customs EDI System (ICES).
7. Imports against the TRQ shall be allowed only upon debiting electronically in the ICES system.
8. The year in respect of these TRQ imports will be the period from 1<sup>st</sup> January to 31<sup>st</sup> December, i.e., calendar year in India.
9. There shall be no end date for applying for the TRQ Certificate in the given year. DGFT shall monitor the cumulative quantities for TRQ Certificates issued. No TRQ Certificates shall be issued once the stated TRQ quantity limit is reached.
10. TRQ Certificate shall be valid for a maximum period of 12 months or the end of the year, whichever is earlier. The imports against a TRQ authorisation may be cleared from Indian Customs only within the stated validity of the TRQ authorisation.
11. Import would be subject to Ministry of Finance (Department of Revenue) Notification No. 66/2022-Customs dated 26<sup>th</sup> December 2022 relating to Ind-Aus ECTA (as amended from time to time). Further, DGFT reserves the right to make any changes in the modalities/allocation process at any point of time, as deemed fit.
12. Procedure for application for imports under TRQ under Ind-Aus ECTA as enumerated above, shall be inserted under Annexure V of Appendix 2A of Handbook of Procedures 2015-20.

**Effect of this Public Notice:** Procedure for allocation of Tariff Rate Quotas (TRQ) in line with the Ministry of Finance (Department of Revenue) Notification no. 66/2022-Customs dated 26<sup>th</sup> December 2022 under Ind-Aus ECTA is notified.

  
28.12.2022

(Santosh Kumar Sarangi)  
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