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GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
(DEPARTMENT OF REVENUE)

**Notification**

New Delhi, the 30<sup>th</sup> June, 2018

**No. 59/2018 - Customs (N.T.)**

G.S.R. \_\_\_\_\_ (E).- In exercise of the powers conferred by sub-section (1) of section 5 of the Customs Tariff Act, 1975 ( 51 of 1975), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following rules further to amend the Rules of Determination of Origin of Goods under the Asia-Pacific Trade Agreement, (formerly known as the Bangkok Agreement) Rules, 2006, namely:-

1. (1) These rules may be called the Rules of Determination of Origin of Goods under the Asia-Pacific Trade Agreement (formerly known as the Bangkok Agreement) Amendment Rules, 2018.

(2) They shall come into force on the 1<sup>st</sup> day of July, 2018.

2. In the Rules of Determination of Origin of Goods under the Asia-Pacific Trade Agreement, (formerly known as the Bangkok Agreement) Rules, 2006, (hereinafter referred to as the said rules), in footnotes,-

(i) for footnote 6, the following shall be substituted, namely:-

“ 6. As at Annexure-C.”.

(ii) after footnote 8, the following footnotes shall be inserted, namely:-

“9. “The aggregate content” in rule 5 shall be calculated as the sum of the value of originating materials used as a input (VOM1) and the value for originating materials added by the Participating State where working or processing of the finished product has taken place (VOM2). VOM1 means value of the products which have acquired originating status in the territory of a previous Participating State, which shall be calculated on the basis of the customs value determined in accordance with Articles 1 through 8, Article 15, and the corresponding interpretative notes of the Customs Valuation Agreement. VOM2 means value of the originating materials obtained in the territory of the Participating State where working or processing of the finished product has taken place, and the value used as input in working or processing of the finished product in that Participating State, including direct labour cost, direct overhead cost, transportation cost and profit for the finished product. Under the above

interpretation, the product shall be considered as a product originating in the territory of the Participating State where working or processing of the finished product has taken place, provided that the sum of VOM1 and VOM2 is not less than sixty percent. of its f.o.b. value.

10. The provision of sub-clause (ii) of clause (b) of rule (6) of “the products have not entered into trade or consumption there” shall be interpreted that the products which remain under the control of customs authority of the intermediate non-Participating state without any proceedings of import clearance procedures shall be considered as directly consigned from the exporting Participating State to the importing Participating State. The expression of “entered into trade or consumption there” is understood that the import declaration on the product was accepted and the product was released out of a bonded area into the domestic market of the intermediate country to be consumed or subsequently exported under another contract. Therefore, the product that is temporarily stored in the bonded area under the control of customs authority and has not undergone any operations or processes other than those defined in sub-clause (iii) of clause (b) of rule (6), is understood to have not entered into trade or consumption.”.

3. In the said rules, in Annexure-A,

- (i) under the heading “Notes for completing Certificate of Origin”, in sub-heading “II Entries to be made in the boxes”, under the entry “Box 5 Tariff Item Number” for the figures, words and letters “4-digit HS heading” the figures, words and letters “6-digit HS heading” shall be substituted;
- (ii) under the heading “Notes for completing Certificate of Origin”, in sub-heading “II Entries to be made in the boxes”, under the entry “Box 8 Origin Criterion”, for clause (a), the following shall be substituted, namely:-

“(a) Products wholly produced or obtained: enter the letter “A” in Box 8.

(b) Products not wholly produced or obtained: the entry in Box 8 should be as follows:

1. Enter letter “B” in Box 8, for products, which meet the origin criteria according to Rule 4. Entry of letter “B” would be followed by the sum of the value of materials, parts or produce originating from non-Participating States, or undetermined origin used, expressed as a percentage of the f.o.b. value of the products; (example “B” 50 per cent);

2. Enter letter “C” in Box 8 for products, which meet the origin criteria according to Rule 5. Entry of letter “C” would be followed by the sum of the aggregate content originating in the territory of the exporting Participating State expressed as a percentage of the f.o.b. value of the exported product; (example “C” 60 per cent);

3. Enter letter “D” in Box 8 for products, which meet the special origin criteria according to Rule 11;

4. Enter letter “E” in Box 8 for products which meet the origin criteria according to sub-rule (b) of rule 4. Entry of letter “E” would be followed by the criteria of the rules of origin (example “E” CTH).”.

4. In the said rules, after Annexue-B, the following Annexure shall be inserted, namely:-

**“ANNEXURE – C**

**Sectoral RoO (Rules of Origin) of APTA**

**Annex note:**

1. In accordance with sub-rule (b) of rule 4, the criteria specified in column 4 below shall apply for the products listed therein.
2. The origin criteria under column 4 and sub-rule (a) of rule 4, respectively, would be applied sequentially to specific items. If the products cannot meet the criteria under column 4, then the sub-rule (a) of Rule 4 would be applied.
3. CTH (Change in Tariff Heading) means that the non-originating materials have undergone a change in tariff classification of the Harmonised Commodity Description and Coding System to a Heading from any other Heading.
4. The final process of manufacture is performed within the territory of the exporting Participating State.

**Table**

<b>Sr. No.</b>	<b>HS 2017 Heading</b>	<b>Product Description</b>	<b>Origin Criteria</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>
1.	2201	Beverages, spirits and vinegar	CTH
2.	2707, 2708, 2709, 2710, 2711, 2712, 2713, 2714, 2715	Mineral fuels	CTH
3.	2852	Inorganic chemicals	CTH
4.	2901, 2902, 2903, 2904, 2905, 2906, 2907, 2908, 2909, 2910, 2911, 2912, 2913, 2914, 2915, 2931, 2932, 2933, 2934, 2935, 2936, 2937, 2938, 2939, 2940, 2941, 2942	Organic chemicals	CTH

<b>Sr. No.</b>	<b>HS 2017 Heading</b>	<b>Product Description</b>	<b>Origin Criteria</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>
5.	3002, 3006	Pharmaceutical products	CTH
6.	3817	Mixed alkyl benzenes	CTH
7.	3901, 3902, 3903, 3904, 3905, 3906	Plastics and articles thereof	CTH
8.	3916, 3917, 3918, 3919, 3920, 3921, 3922, 3923, 3924, 3925, 3926	Plastics and articles thereof	CTH
9.	4002	Synthetic rubber	CTH except from heading 4001
10.	6401, 6402, 6403, 6404, 6405, 6406	Footwear, gaiters and the like; parts of such articles	CTH
11.	6801, 6802, 6803	Articles of stone, plaster, cement, asbestos, mica or similar materials	CTH
12.	7201, 7202, 7203, 7204, 7205, 7206, 7218, 7224	Iron and Steel	CTH
13.	7307, 7308, 7309, 7310, 7311, 7312, 7313, 7314, 7315, 7316, 7317, 7318, 7319, 7320, 7321, 7322, 7323, 7324, 7325, 7326	Articles of Iron or Steel	CTH
14.	7401, 7402, 7403, 7404, 7405, 7406, 7407, 7408, 7409, 7410, 7411, 7412, 7413, 7415, 7418, 7419	Copper and articles thereof	CTH
15.	7501, 7502, 7503, 7504, 7505, 7506, 7507, 7508	Nickel and articles thereof	CTH
16.	7601, 7602, 7603, 7604, 7605, 7606, 7607, 7608, 7609, 7610, 7611, 7612, 7613, 7614, 7615, 7616	Aluminium and articles thereof	CTH
17.	7801, 7802, 7804, 7806	Lead and articles thereof	CTH
18.	7901, 7902, 7903, 7904, 7905, 7907	Zinc and articles thereof	CTH

<b>Sr. No.</b>	<b>HS 2017 Heading</b>	<b>Product Description</b>	<b>Origin Criteria</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>
19.	8001, 8002, 8003, 8007	Tin and articles thereof	CTH
20.	8536	Electrical machinery and equipment and parts	CTH
21.	9619, 9620	Miscellaneous manufactured articles	CTH".

[F. No.CBEC -15021/2/2016-Dir (ICD)]

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

Note: The Principal Rules were published vide notification No.94/2006 - CUSTOMS (N.T.), dated 31<sup>st</sup> August, 2006, in the Gazette of India, Extraordinary, *vide* number S.O. 1390 (E), dated the 31<sup>st</sup> August, 2006 and was last amended by notification No. 79/2009 – CUSTOMS (N.T.) dated the 9<sup>th</sup> July, 2009 published in the Gazette of India, Extraordinary, *vide* number S.O. 1679 (E), dated the 9<sup>th</sup> July, 2009.