

F. No. 450/176/2014-Cus IV
Government of India
Ministry of Finance
Department of Revenue
(Central Board of Excise and Customs)

New Delhi, dated the 7th November, 2014

To,

All Chief Commissioners of Customs
All Chief Commissioners of Customs and Central Excise
Director General, DRI (also for RMD)
All Commissioners of Customs
All Commissioners of Customs and Central Excise

Sir /Madam,

Subject: Import of re-bars/reinforcement bars as alloy steel bars without BIS certification – Reg.

Ministry of Steel has informed the Board that it has received representations from steel producers as well as from associations of mini steel producers/re-rollers that large scale imports of reinforced/TMT bars without Bureau of Indian Standards (BIS) mark is taking place from China and Ukraine in circumvention of the Steel and Steel Products Quality Control Order, 2012 read with General Note 2A of ITC (HS), 2012 Schedule-I of the Import Policy.

2. The matter has been examined by the Board. It is seen that in few imports at Chennai the imported goods contained more than 0.0008% Boron and fell under CTH 7228 while the said Steel Products Quality Control Order, 2012 mentions goods falling under CTH 72131090 and 72142090 (Sl.No.5 of the said Order refers). Since CTH 7228 was not mentioned in the said Steel Products Quality Control Order, 2012 the Commissioner of Customs (Imports), Chennai referred the matter to Bureau of Indian Standards for clarification. The Board also made a reference to Ministry of Steel to align the Steel Products Quality Control Order, 2012 with the correct CTH.

3. In this regard, Ministry of Steel has informed that the Steel Products Quality Control Order, 2012 is strictly based on the relevant Indian Standard though ITC(HS) Code has been provided for reference purposes. This is also clarified in the "Explanation" to the said Steel Products Quality Control Order, 2012. Ministry of Steel has concluded that all products covered by the relevant Indian Standard fall under the said Steel Products Quality Control Order, 2012 and Import of such

products without BIS certification is in circumvention of the said Order. It is categorically confirmed that re-bar/TMT bar containing 0.0008% or more Boron falling under alloy steel category is covered by Indian Standard IS 1786 regardless of the ITC(HS) Code given in the said Steel Products Quality Control Order, 2012. Ministry of Steel has urged that imports circumventing the said Steel Products Quality Control Order, 2012 should be stopped in view of their damage to the interest of the Indian steel industry as well as from the angle of safety of infrastructure and housing projects in the country.

4. Bureau of Indian Standards has confirmed that as per Amendment No.1 to IS 1786:2008, the addition of micro-alloying strengthening elements such as Niobium, Vanadium, Boron and Titanium are permitted when used individually or in combination provided the total contents shall not exceed 0.30%. Bureau of Indian Standards has recommended that its clearance should be sought in case importers declare that the re-bars/alloy grade bars/high strength deformed steel bars and wires for concrete reinforcement are not covered under mandatory BIS certification.

5. The Board notes that Ministry of Steel and the Bureau of Indian Standards are mandated to give a ruling on the applicability of BIS certification on the said imported items. Therefore, in view of the categorical confirmation received from both Ministry of Steel and Bureau of Indian Standards, the relevant factor in determining the applicability of BIS Standard would be the description of the product in the Indian Standard and not the indicated ITC (HS) code. Further, IS 1786:2008 permits the use of Boron and other specified elements individually or in combination upto a limit of 0.30%. Hence, imports of said imported items that are covered by the description of the product in the Indian Standard would require BIS certification. In case of doubt, a clarification may be sought from Bureau of Indian Standards. The Board is separately requesting Ministry of Steel to include all relevant ITC (HS) Codes in the Steel Products Quality Control Order, 2012.

6. Board desires that the field formations may be suitably alerted to allow the import of said items strictly in accordance with the aforementioned legal provisions including that of BIS certification, as applicable.

Yours faithfully

Pal
07-11-14
(Pawan Khetan)
OSD (Cus IV)