

Significant Notifications and Circulars issued in Customs from 16th January to 15th February, 2022

Customs

Notification

Central Government vide *Notification No. 7/2022-Customs (N.T.) dt. 01.02.2022* has, *inter-alia*, substituted/amended following rules of Customs (Import of Goods at Concessional Rate of Duty) Rules, 2017:

- (i) Rule 4: Importer to give prior information
- (ii) Rule 5: Procedure to be followed in order to avail the benefit of exemption
- (iii) Rule 6: Importer to maintain records
- (iv) Rule 6A: Procedure for allowing imported goods for job work
- (v) Rule 6B: Procedure for allowing imported goods for unit transfer
- (vi) Rule 7: Re-export or clearance of unutilised or defective goods
- (vii) Form IGCR-1: Prior information to be provided by the importer

Notification No. 7/2022-Customs (N.T.) dt. 01.02.2022 may be referred to for details. The above amendments will be effective from 01.03.2022.

Circular

Clarification regarding applicability of Social Welfare Surcharge on goods exempted from basic and other customs duties/cesses

Social Welfare Surcharge (SWS) is levied and collected, as a duty of customs, *vide* section 110 of the Finance Act, 2018 and is calculated at the rate of 10% on the aggregate of duties, taxes and cesses which are levied and collected by the Central Government as a duty of customs on goods imported into India. It may be noted that at present SWS applies at the rate of 10% of the aggregate of customs duties payable on import of goods and not on the value of imported goods.

In the absence of any specific exemption on Social Welfare Surcharge, a view is being taken that Social Welfare Surcharge shall be payable on notional customs duty as determined on Tariff rate in case of goods exempted from basic and other customs duties/cesses.

It has been clarified by the Board that the amount of Social Welfare Surcharge payable would be 'Nil' in cases where the aggregate of customs duties (which forms the base for computation of SWS) is zero even though SWS has not been exempted. Law does not require computation of SWS on a notional customs duty where applicable aggregate of duties of customs is zero.

[Circular No. 3/2022-Customs dt. 01.02.2022](#)