

[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.23/2016 –Customs

New Delhi, dated the 1st of March, 2016

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 in supersession of the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 72/94-Customs, dated the 1st March, 1994 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), *vide* number G.S.R. 184 (E) dated the 1st March, 1994, except as respects things done or omitted to be done before such supersession, the Central Government, being satisfied that it is necessary in the public interest so to do, hereby exempts parts of aircraft falling within the First Schedule to the Customs Tariff Act, 1975 (51 of 1975), when imported into India under the Standard Exchange Scheme, from so much of duty of customs leviable thereon, as is in excess of the duty of customs which would be leviable if the value of the said parts were made up of the Standard Exchange Cost, insurance and freight charges both ways subject to the following conditions, namely:-

- (i) such parts have been repaired or overhauled or are being imported for repair or overhaul and are not new parts;
- (ii) the importer and the exporter have entered into a Standard Exchange Agreement;
- (iii) the importer is registered with the Director General of Civil Aviation ;
- (iv) the Standard Exchange Cost charged by the exporter or importer is final;
- (v) no drawback of duty has been claimed or shall be claimed in respect of parts of aircraft exported or imported for repair or overhaul under the said Standard Exchange Agreement; and
- (vi) the importer, at the time of clearance, produces a certificate from the exporter,-
 - (a) that the imported parts have been supplied from a pool of repaired or overhauled parts maintained under the Standard Exchange Scheme and such parts are not new parts and; that the Standard Exchange Cost charged for repair or overhaul is final; or
 - (b) that the parts have been sent to the importer under Standard Exchange Scheme for repair or overhaul and such parts are not new parts.

Explanation - For the purposes of this notification,-

- (1) "Standard Exchange Scheme" means a scheme under which the exporter of a repaired or overhauled aircraft part; or an importer of an aircraft part for repair or overhaul, agree to supply a repaired or overhauled part in exchange of such part ;
- (2) "Standard Exchange Agreement" means an agreement made under Standard Exchange Scheme;
- (3) "Standard Exchange Cost" means the cost of repair or overhaul charged by the exporter or importer of the aircraft part under Standard Exchange Scheme, which also includes charges for materials, if any, used for such repair or overhaul.

[F. No 334/8/2016-TRU]

(Anurag Sehgal)
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