

F.No. DGEP/SEZ/09/2017 (Part III)  
Government of India  
Ministry of Finance  
Department of Revenue Central Board of Indirect Taxes & Customs  
(Directorate General of Export Promotion)  
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New Delhi, dated 22 February, 2021

To,

All Pr. Chief Commissioners/ Chief Commissioners of Customs/ Customs (Prev.),  
All Pr. Chief Commissioners/ Chief Commissioners of Central Tax/ Central Excise,  
All Pr. Commissioners/ Commissioners of Customs/ Customs (Prev.),  
All Pr. Commissioners/ Commissioners of Central Tax and Central Excise,  
All Pr. Director Generals/Director Generals under CBIC.

Madam/Sir,

**Subject: Clarification regarding payment of Agriculture Infrastructure and Development Cess (AIDC) by EOU under various situations and amendment to Circular no. 35/2016-Customs dated 29.07.2020 – regarding.**

Finance Bill, 2021 (15 of 2021) dated 01.02.2021, vide clause 115 has imposed a duty of customs, to be called Agriculture Infrastructure and Development Cess (AIDC), on the import of goods specified in the First Schedule to the Customs Tariff Act, 1975 at the rate not exceeding the rate of customs duty as specified in the said Schedule, for the purposes of financing the agriculture infrastructure and other development expenditure. The said provision of clause 115 of the Bill has been given immediate effect under the Provisional Collection of Taxes Act, 1931.

1.1 In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962) read with clause 115 of the said bill, Government of India vide Notification No. 11/2021- Customs dated 1<sup>st</sup> February, 2021 vide Sr. no. 19 read with serial no. 7 of the Annexure to the said notification has fully exempted goods imported by EOUs/EHTP units/STP units (collectively called EOUs) from the AIDC as the goods imported by these units enjoy benefit of exemption from basic customs duty under notification no. 52/2003-Cus dated 31.03.2003.

1.2 In case of EOU selling finished goods in DTA, BCD exempted on import of inputs used in such finished goods is to be paid vide Notification No. 59/2017-Customs dated 30.06.2017 [amending by Notification No. 52/2003-Customs dated 31.03.2003]. On payment of such BCD by EOU at the time of clearance of finished goods it is treated as if no exemption of BCD was allowed to the EOU under Notification No. 52/2003-Customs dated 31.03.2003. Once it is deemed that no

exemption of BCD on inputs is allowed which were imported under exemption Notification No. 52/2003-Customs dated 31.03.2003, AIDC exemption under Notification no. 11/2021-Customs dated 01.2.2021 also gets denied on such inputs and same is also required to be paid by EOU.

1.3 In addition to clearance of goods in DTA there are many situations like clearance of inputs; capital goods; packing material suitable for repeated use such empty cones, bobbins, containers; left over textile fabric or textile material etc. or exit from EOU scheme. In such cases duty/tax of which exemption under Notification No. 52/2003-Customs dated 31.03.2003 was availed at the time of import is required to be paid at the time of clearance. In case of clearance of capital goods, applicable depreciation is allowed for denial of exemption. Unutilized left over textile fabric or textile material is allowed to be cleared into DTA on payment of duty leviable at the time of import but for the exemption on transaction value as if the goods have been manufactured in that unit. Exemption of duty/tax on goods imported under Notification No. 52/2003-Customs dated 31.03.2003 is also denied on account of breach of various conditions of EOU scheme. Once EOU is required to pay back BCD for which exemption was claimed and allowed under Notification No. 52/2003-Customs dated 31.03.2003 at the time of import then exemption of AIDC, if availed, in all such situations shall also be denied. Thus, EOU shall be required to pay AIDC in the manner of payment of BCD against the goods imported under exemption Notification No. 52/2003-Customs dated 31.03.2003 under various situations.

2. EOU/STP/EHTP are required to maintain and also submit digital copy of Form – A to Circular no. 35/2016-Customs dated 29.07.2016, by 10th of month to proper officer, which captures the summary of receipt, removal, returns and balance of imported goods under Notification No. 52/2003-Customs dated 31.03.2003. Copy of Quarterly Performance Report and Annual Performance Reports [QPR/APR] are also required to be submitted to jurisdictional AC/DC of Customs as mandated by DGFT Public Notice no. 36/2015-2020 dated 04.09.218. Though QPR/APR contain details of various activities including revenue contribution by EOUs but these are reflected in consolidated manner and these reports may be a monitoring tool for departmental officers with limitations. However, for effective and monthly monitoring of exemption of duty/taxes availed under Notification No. 52/2003-Customs dated 31.03.2003, the said Form ‘A’ is amended and revised Form ‘A’ is annexed herewith. Circular no. 35/2016-Customs dated 29.07.2016 may be treated as amended to above extent.

3. Difficulties, if any, may be brought to the notice of Board.

4. Hindi version will follow.

Encl: - Revised Form ‘A’

Yours faithfully,

-S/d-

(Saroj Kumar Behera)  
Additional Director

## FORM -A

**Form to be maintained by EOU/STPI/EHTP for the receipt, storage, processing and removal of goods.**  
(as per Circular 07/2021 -Customs dated 22.02.2021)

**Name of EOU and address:**

**GST/Central Excise Registration No:**

**Range/Circle \_\_\_\_\_ Division \_\_\_\_\_ Commissionerate \_\_\_\_\_**

Receipts													
Bill of Entry No. and date, if applicable	Customs Station of import, if applicable	Code and address of Warehouse from where received (only in cases goods are procured from public or private warehouse)	Name & Address of EoU from where goods are received, if applicable	Others (in case of any other source of procurement)	Details of B-17 Bond / Amount debited	Description of goods	Invoice No.	Procurement Certificate No. and date  Date of intimation filed under Rule 5 of IGCR,2017	Unit, Weight And quantity	Value	Duty assessed	Registration No. of means of transport	Date and time of receipt
1	2	3	4	5	6	7	8	9	10	11	12	13	14

Removal for processing				<i>(The goods removed for processing shall be accounted in a manner that enables the verification of input-output norms, extent of waste, scrap generated etc)</i>																		
Date and time of removal	Quantity cleared	Value	Duty involved	Physical Exports		Deemed Export under Para 6.9 of FTP		DTA clearances of finished goods										Waste, scrap etc. cleared				
				Qty.	Value	Qty.	Value	Qty.	Value	Amount paid at the time of clearance										Qty.	Value	Customs Duty paid
										BCD foregone on inputs	AIDC foregone on inputs	Anti-dumping duty foregone on inputs	Safeguard Duty foregone on inputs	Other Cess/ Sur-charge paid	Interest/ Misc. payments	Total of col. 25 to 30						
15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34			

Other removals						Return to unit						Balance in stock		Remarks
Purpose of removal	Date and time	Quantity	Value	Duty	Details of document under which removed (No. and date)	Purpose of return	Date and time	Quantity	Value	Duty involved	Details of document under which returned (No. and date)	Quantity	Value	
35	36	37	38	39	40	41	42	43	44	45	46	47	48	49

Note:- For column 19 to 34 consolidated figures may be provided.