

**Government of India  
Ministry of Commerce and Industry  
Department of Commerce  
Directorate General of Foreign Trade  
New Delhi**

**Notification No. 45(RE-2005)/2004-2009**

Dated 15th February, 2006

S.O.(E) In exercise of powers conferred under Section 5 of the Foreign Trade (Development & Regulation) Act, 1992 read with paragraph 2.1 of the Foreign Trade Policy, 2004-2009, the Central Government hereby makes the following amendments in the Foreign Trade Policy, (RE-2005)/2004-2009 :

1. Para 4.1.8 of the Foreign Trade Policy stands amended as follows :

The facility of Advance Licence shall also be available where some or all of the inputs are supplied free of cost to the exporter.

In such cases, for calculation of value addition, the notional value of free of cost inputs along with value of other duty-free inputs shall be taken into consideration. However, if all the inputs are supplied free of cost, *the exporter shall also have the option to follow the provision prescribed in paragraph 4.2.7 of the Policy.*

*Sd/-*

(K. T. CHACKO)

Director General of Foreign Trade and  
Ex-Officio Additional Secretary to the Government of India

(F. No. 01/94/180/00306/AM06/PC.I)