



**F. No. 460/44/2005-Cus.V
Government of India
Ministry of Finance
Department of Revenue
Tax Research Unit, New Delhi**

Circular

Dated 13th September, 2005

Customs and Excise Duty exemption on machinery, apparatus and appliances and components, required for initial setting up of a power project using non-conventional materials – clarification regarding.

Notification No. 81/2005-Customs and 33/2005-Central Excise, both dated the 8th September, 2005, have been issued so as to allow concessional Customs Duty of 5% and full exemption from Excise Duty, respectively, on machinery, apparatus and appliances and components, required for initial setting up of a power project using specified non-conventional materials. The above exemptions are subject to certification by the Ministry of Non-Conventional Energy Sources.

2. Imports of the above mentioned goods, will also be eligible for exemption from the additional Duty of Customs (CVD), imposed under Section 3 of the Customs Tariff Act, 1975, in view of the above mentioned Excise Duty exemption, provided the importer produces the requisite certificate from the Ministry of Non-Conventional Energy Sources.

Sd/-
(R. SAROOP)
Director (TRU)