



**Government of India
Ministry of Finance
Department of Revenue
New Delhi**

Notification No. 93/2004-Customs

Dated 10th September, 2004

In exercise of the powers conferred by Sub-Section (1) of Section 25 of the Customs Act, 1962 (52 of 1962), the Central Government, being satisfied that it is necessary in the public interest so to do, hereby exempts materials imported into India against an Advance Licence issued in terms of paragraph 4.1.3 of the Foreign Trade Policy (hereinafter referred to as the said licence) from the whole of the duty of customs leviable thereon which is specified in the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) and from the whole of the additional duty, safeguard duty and anti-dumping duty leviable thereon, respectively, under Sections 3, 8 and 9A of the said Customs Tariff Act, subject to the following conditions, namely :-

- (i) that the description, value and quantity of materials imported are covered by the said licence and the said licence is produced before the proper officer of customs at the time of clearance for debit;
- (ii) that where import takes place after fulfilment of export obligation, the shipping bill number(s) and date(s) and quantity and FOB value of the resultant product are endorsed on the said licence :

Provided that where import takes place before fulfilment of export obligation, the quantity or FOB value of the resultant product to be exported are endorsed on the said licence;
- (iii) that the importer at the time of clearance of the imported materials executes a bond with such surety or security and in such form and for such

sum as may be specified by the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be, binding himself to pay on demand an amount equal to the duty leviable, but for the exemption contained herein, on the imported materials in respect of which the conditions specified in this notification have not been complied with, together with interest at the rate of fifteen per cent per annum from the date of clearance of the said materials :

Provided that bond shall not be necessary in respect of imports made after the discharge of export obligation in full;

- (iv) that the imports and exports are undertaken through seaports at Mumbai, Kolkata, Cochin, Magdalla, Kakinada, Kandla, Mangalore, Mormogoa, Chennai, Nhava Sheva, Paradeep, Pipavav, Sikka, Tuticorin, Visakhapatnam, Dahej, Mundhra, Nagapattinam, Okha, Jamnagar and Muldwarka or through any of the airports at Ahmedabad, Bangalore, Bhubaneswar, Mumbai, Kolkata, Coimbatore, Delhi, Hyderabad, Jaipur, Chennai, Srinagar, Trivandrum, Varanasi, Nagpur and Cochin or through any of the Inland Container Depots at Agra, Bangalore, Coimbatore, Delhi, Faridabad, Gauhati, Guntur, Hyderabad, Jaipur, Jalandhar, Kanpur, Ludhiana, Moradabad, Nagpur, Pimpri (Pune), Pitampur (Indore), Surat, Tirupur, Varanasi, Nasik, Rudrapur (Nainital), Dighi (Pune), Vadodara, Daulatabad (Wanjarwadi and Maliwada), Waluj (Aurangabad), Anaparthi (Andhra Pradesh), Salem, Malanpur, Singanalur, Jodhpur, Kota, Udaipur, Ahmedabad, Bhiwadi, Madurai, Bhilwara, Pondicherry, Garhi Harsaru, Bhatinda, Dappar (Dera Bassi), Chheharata (Amritsar), Karur, Miraj, Rewari, Bhusawal,

Jamshedpur, Surajpur and Dadri or through the Land Customs Station at Ranaghat, Singhabad, Raxaul, Jogbani, Nautanva (Sonauli), Petrapole and Mahadipur.

Provided that the Commissioner of Customs may, by special order, or by a Public Notice, and subject to such conditions as may be specified by him, permits import and export from any other seaport/airport/inland container depot or through any land customs station;

- (v) that the export obligation as specified in the said licence (both in value and quantity terms) is discharged within the period specified in the said licence or within such extended period as may be granted by the Licensing Authority by exporting resultant products, manufactured in India which are specified in the said licence and in respect of which facility under rule 18 or sub-rule (2) of 19 of the Central Excise Rules, 2002 has not been availed :

Provided that an Advance Intermediate Licence holder shall discharge export obligation by supplying the resultant products to ultimate exporter in terms of Paragraph 4.1.3 (b) of the Foreign Trade Policy;
- (vi) that the importer produces evidence of discharge of export obligation to the satisfaction of the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be, within a period of 30 days of the expiry of period allowed for fulfilment of export obligation, or within such extended period as the said Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be, may allow;
- (vii) that the said licence and the materials shall not be transferred or sold;



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(viii) that in relation to the said licence issued to a merchant exporter,-

(a) the name and address of the supporting manufacturer is specified in the said licence and the bond required to be executed by the importer in terms of condition (iii) shall be executed jointly by the merchant exporter and the supporting manufacturer binding themselves jointly and severally to comply with the conditions specified in this notification; and

(b) exempt materials are utilised in the factory of such supporting manufacturer for discharge of export obligation and the same shall not be transferred or sold or used for any other purpose by the said merchant exporter.

2. Where the materials are found defective or unfit for use, the said materials may be re-exported back to the foreign supplier within three years from the date of payment of duty on the importation thereof :

Provided that at the time of re-export the materials are identified to the satisfaction of the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be, as the materials which were imported.

Explanation. - For the purposes of this notification,-

- (i) "Foreign Trade Policy" means the Foreign Trade Policy 2004-2009 published vide notification of the Government of India in the Ministry of Commerce and Industry, No.1/2004 dated the 31st August, 2004;
- (ii) "Licensing Authority" means the Director General of Foreign Trade appointed under Section 6 of the Foreign Trade (Development and Regulation) Act, 1992 (22 of 1992) or an officer authorized by him to grant a licence under the said Act;
- (iii) "Materials" means -
 - (a) raw materials, components, intermediates, consumables, catalysts and parts which are

required for manufacture of resultant product;

(b) mandatory spares within a value limit of ten per cent of the value of the licence which are required to be exported alongwith the resultant product;

(c) fuel required for manufacture of resultant product; and

(d) packaging materials required for packing of resultant product;

(iv) "manufacture" has the same meaning as assigned to it in paragraph 9.37 of the Foreign Trade Policy.

Sd/-

(H. K. PRASAD)

Under Secretary to the Government of India

F. No. 605/40/2004-DBK

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Notification No. 94/2004-Customs

Dated 10th September, 2004

In exercise of the powers conferred by Sub-Section (1) of Section 25 of the Customs Act, 1962 (52 of 1962), the Central Government, being satisfied that it is necessary in the public interest so to do, hereby exempts materials imported into India, against an Advance Licence for Annual Requirement (hereinafter referred to as the said licence) with actual user condition in terms of Paragraph 4.1.10 of the Foreign Trade Policy from the whole of the duty of customs leviable thereon which is specified in the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) and from the whole of the additional duty, leviable thereon under Section 3 of the said Customs Tariff Act, subject to the following conditions namely,-

(1) that the said licence shall be issued to a manufacturer exporter or merchant exporter holding Star Export House Certificate issued by the Licensing Authority;

(2) that the said licence is issued for an export product group, specifying the Cost Insurance Freight Value of import permitted against it and the Free on Board Value of export obligation to be achieved. The said licence shall be valid for import of any input required for the manufacture of export product, which is covered under the said export product group specified in the Hand Book of Procedure (Volume II) of Foreign Trade Policy;

(3) that an Actual User Duty Exemption Entitlement Certificate (hereinafter referred to as the said certificate) is issued to the holder of the said licence by the Licensing Authority in the form specified in the Schedule annexed to this notification. At the time of import, the full details of value, quantity, technical characteristics and other particulars, of the inputs imported against the said licence shall be entered in Part C of the Part-1 of the said certificate, as given in the Schedule to this notification, by the proper officer;

(4) that the importer at the time of clearance of the imported materials executes a bond with such surety or security and in such form and for such sum as may be specified by the Deputy Commissioner or Assistant Commissioner of Customs, binding himself to pay on demand an amount equal to the duty leviable, but for the exemption, on the imported materials in respect of which the conditions specified in this notification have not been complied with, together with interest at the rate of fifteen per cent per annum from the date of clearance of the said materials :

Provided that the bond shall not be necessary in respect of imports made after the discharge of export obligation in full;

(5) that the said licence and the said certificate are produced before the proper officer of customs at the time of clearance for debit the quantity and value of imports;