GENERAL EXEMPTION NO.10

Material imported into India against Special Value Based Advance Licence for export of readymade garments.


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 Special Value Based Advance Licence (hereinafter referred to as the said licence) for the export of readymade garments (other than leather garments) issued under Scheme 'A' contained in Appendix XXII-A of the Handbook of Procedure 1 April 1992 - 31 March 1995, Vol.I (Revised Edition : April, 1995) published in terms of paragraph 53 of the Export and Import Policy by the Government of India in the Ministry of Commerce vide Public Notice No.292/(PN)92-97 dated the 30th April, 1995, 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 sub-sections (1), (3) and (5) of section 3 of the said Customs Tariff Act, subject to the following conditions, namely:-

1. Material imported are covered by a Value Based Duty exemption Entitlement Certificate (hereinafter referred to as the said certificate) issued by the Licencing Authority in the form specified in the Schedule annexed to this notification;

2. That the importer, at the time of clearance of imported materials,-
   (a) produces the said licence and the said certificate for debit by the proper officer of the Customs;
   (b) Omitted.
   (c) executes a bond with such surety or security and in such form and for such sum as may be specified by the Assistant Commissioner of Customs or Deputy Commissioner of Customs binding himself to pay on demand, an amount equal to the duty leviable on the imported materials but for the exemption contained herein in respect of which the conditions specified in this notification have not been complied with together with interest at the rate of 24% per annum from the date of clearance of the materials.

3. that the imports and exports are undertaken through sea ports at Bombay, Calcutta, Cochin, Kandla, Mangalore, Marmagao, Madras, Nhava Sheva, Paradeep, Tuticorin and Visakhapatnam, or through any of the airports at the Ahmedabad, Bombay, Calcutta, Coimbatore, Delhi, Hyderabad, Jaipur, Madras, Srinagar, Trivandrum and Varanasi or through any of the Inland Container Depots at Bangalore, Coimbatore, Delhi Gauhati, Hyderabad, Kanpur, Ludhiana, Moradabad, Pimpri(Pune) and Pitampur (Indore):
   Provided that the Commissioner of Customs may by special order and subject to such conditions as may be specified by him, permit import and export through any other sea port, airport or Inland Container Depot or through a land customs station.

4. That export obligation is discharged within the period specified in the said certificate or within such extended period as may be granted by the Licensing Authority by exporting goods manufactured with the use of materials imported in terms of this notification and the importer produces the said certificate together with evidence of discharge of export obligation to the satisfaction of the Assistant Commissioner of Customs within a period of thirty days of the expiry of period allowed for fulfillment of export obligation or within such extended period as the said Assistant Commissioner of Customs or Deputy Commissioner of Customs may allow;
(5) The exempt materials shall be utilised only for the discharge of export obligation and no part thereof shall be disposed of or utilised in any other manner.

Provided that after discharge of export obligation in full, the exempt materials may be processed by the importer in his own factory for manufacture of any other goods.

2. In a case of default in export obligation, when the duty on goods is paid to regularisethe default, the amount of interest paid by the importer shall not exceed the amount of duty if such regularisation has been dealt in terms of Public Notice of the Government of India in the Ministry of Commerce No. 22 (RE-2013)/2009-2014 dated the 12th August, 2013.

Explanation. In this notification, -


(ii) "Licencing authority" means the Director General, Foreign Trade appointed under the Foreign Trade (Development and Regulation) Act, 1992 (22 of 1992) or an officer authorised by him to grant a licence under the said Act,

(iii) "materials" means -

(a) fabrics to be actually used in the manufacture of garments to be exported as specified in Part E, under the heading "II. EXPORT", of the said certificate, and

(b) Trimmings and embellishments, not exceeding 25% of the value of fabrics actually imported or 20% of the CIF value of licence, whichever is more, namely:-

1. Buckles, hooks and bars.
2. Collarstays, Collar patties, butterfly, shoulder pads and other garment stays including plastic stays.
3. Paper patterns/plastic patterns
4. Polyester button blanks, polyester buttons, pearl buttons, plastic buttons, chalk buttons, horn buttons, metal buttons.
5. Lables including woven, printed stickers, stone stickers, self-adhesive metal lables, ruberisered lables and woven tapes.
7. Tags, Tag guns, tag gun needles.
8. Vapoprint transfer papers.
9. Thermoplastic transfer papers.
10. Fusible embroidery motifs or prints.
11. Elastic cloth in running length.
12. Laces.
13. Lining and interlining materials.
14. Sewing thread including all types of embroidery threads.
15. Elastic tape and webbing (including heat resisting rubber tape) and book
tapes.
17. Buttons.
18. All types of fasteners including snap fasteners and press fasteners.
20. Badges including embroidered badges.
22. Stones, sequins and beads required for embroidery.
23. Quilted wadding.

THE SCHEDULE
VALUE BASED DUTY EXEMPTION ENTITLEMENT CERTIFICATE
SPECIAL SCHEME A FOR READYMADE GARMENTS
(OTHER THAN LEATHER GARMENTS)

I. IMPORT

(This consists of ___________ pages)

Sl.No. ______ (IMP)  Date of issue ____________

Port of Registration
Issued  to __________________________________________ (name and full address of the importer.)

Materials imported against Licence No. _____________ dated ______________ issued by ______________ to the above importer and covered by the list of materials specified under part 'C' of this Certificate would be eligible for exemption from customs duties subject to the conditions specified in the notification of the Government of India, Ministry of Finance (Department of Revenue) No.106/95-Customs, dated the 2nd June, 1995.

The Importer shall make the exports in terms of the said Notification within _____________ months from the date of issue of the said licence.

A bond in terms of the said notification shall be executed before clearance of the goods from the customs.

Signature
Seal of licensing authority
Date _________________

PART - A

Names and addresses of the factories where the resultant products for export are manufactured.

-----------------------------------------------

PART - B

Names and addresses of factories where the ancillaries to the resultant products for export are manufactured.

-----------------------------------------------
### PART - C
LIST OF ITEMS OF IMPORT

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Item of Import</th>
<th>Quality</th>
<th>Technical Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Quantity</th>
<th>CIF Value in Indian Rs. and equivalent US $</th>
<th>S.No. of the resultant products in Part E</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
</tbody>
</table>

Total Value =

### PART - D
PARTICULARS OF IMPORT OF MATERIALS

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>No. of the materials in part - C</th>
<th>Bill of Entry No. date and Custom House of Import</th>
<th>Description.</th>
<th>Quantity and Net weight</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

CIF Value | Duty leviable but for exemption  
<table>
<thead>
<tr>
<th>Head No. of the First Schedule to the Customs Tariff Act, 1975 and Head No. in the Schedule to the Central Excise Tariff Act, 1985 for levy of Additional duty</th>
<th>Rate of duty</th>
<th>Amount of duty</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) Basic</td>
<td>(ii) Additional.</td>
<td></td>
</tr>
</tbody>
</table>

| 6 | 7 | 8 | 9 |

Signature of the Customs Officer with Name, Designation and Seal.

10

(Part E & F figure in the Export Part of this DEEC)

### PART - G
Duties paid on Materials in respect of which the condition of said notification are not complied with

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Sl. No. in part D under which the import of the materials has been entered</th>
<th>Description, Quantity and value of Materials on which duty paid.</th>
<th>Rate of Duty leviable</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>(i) Basic</td>
<td>(ii) Additional</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Amount of (i) Duty (ii) Interest

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Particulars of duty paying documents</th>
<th>Signature of the Customs Officer</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

II. EXPORT

(This consists of ____________ pages)

Sl. No. __________ (EXP) Date of Issue ____________

Port of Registration _________________

Issued to ____________________________________________

______________________________ (Name and full address of the importer)

Material imported against Licence No. ________ dated ____________ issued by ______________ to the above importer and covered by the list of materials specified under part 'C' of this Certificate would be eligible for exemption from customs duties subject to the conditions specified in the notification of the Government of India, Ministry of Finance (Department of Revenue) No.106/95-Customs, dated the 2nd June, 1995.

The Importer shall make the exports in terms of the said Notification within ____________ months from the date of issue of the said licence.

A Bond in terms of the said notification shall be executed before clearance of the goods from the customs.

Signature

Seal of licensing authority

Date ___________________

PART - A

Names and addresses of the factories where the resultant products for export are manufactured.
**PART - B**
Names and addresses of factories where the ancillaries to the resultant products for export are manufactured.

(Part C and D figure in the Import Part in this DEEC)

**PART-E**
RESULTANT PRODUCTS

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Description</th>
<th>Quality</th>
<th>Technical Characteristics</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

FOB Value in Rs./US$  
S.No. of the materials in Part C

| 6 | 7 |

**PART - F**
PARTICULARS OF EXPORTS

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Sl.No. of the resultant product in part E</th>
<th>Name of the Custom House of Shipment</th>
<th>Shipping Bill No. &amp; Date</th>
<th>Name of the Vessel and outward entry of the vessel</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Quantity  
Net weight of the export product  
Description as per the Shipping Bill  
FOB Value in Rs./US$  
Signature of Customs Officer with name, designation and seal & remarks if any

<table>
<thead>
<tr>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
</tr>
</thead>
</table>
PART - H

Statement of Imports and Exports made
Type of Licence ________ Licence No. ________________________ Date _____________

Details of Imports made

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Sl.No. of Part C</th>
<th>Description</th>
<th>Quantity Imported</th>
<th>F.O.B. Value In Rs./In equivalent US $</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

Details of Exports made

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Sl.No. in Part E</th>
<th>Description</th>
<th>Quantity Exported</th>
<th>F.O.B. Value In Rs./In equivalent US $</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

1. I/We hereby declare that the information given in this statement is correct.
2. Export goods were manufactured using materials imported under this certificate.
3. Duties on materials not used, in the export product have been paid as per details in Part G.

Signature ______________________________
Name of the signatory____________________
Designation ____________________________
Full Address___________________________

Certificate by Chartered Accountant/Cost Accountant

I have examined the applicant firm's actual imports and exports as given above and find them as correct.

Signature ______________________________
Seal __________________________________
Membership No. ________________________