

GENERAL EXEMPTION NO. 173

Exemption to aircraft equipments, engine and spare parts, specified catering and ground equipment, fuel in tanks of aircrafts and lubricating oils by Indian Air Lines, Indian Air Force and United Arab Airlines.

[Notfn. No. 151/94-Cus. dt. 13.7.1994 as amended by Notfn. No. 101/95, 43/17].

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 goods (hereinafter referred to as the said goods) of the description specified in column (2) of the Table hereto annexed and falling within the First Schedule to the Customs Tariff Act, 1975 (51 of 1975), when imported into India, from the **whole of the duty of customs** leviable thereon which is specified in the said Schedule and from the **whole of the** integrated tax leviable thereon under sub-section (7) of section 3 of the second mentioned Act subject to the conditions, if any, laid down in the corresponding entry in column (3) thereof.

TABLE

S.No.	Description of goods	Conditions
1	2	3
1.	Fuel other than Aviation Turbine Fuel in the tanks of the aircrafts of an Indian Airline or of the Indian Air Force	<p>(i) The quantity of the said fuel is equal to the quantity of the same type of fuel which was taken out of India in the tanks of the aircrafts of the same Indian Airline or of the Indian Air Force, as the case may be, and on which the duty of Customs, or Central Excise had been paid;</p> <p>(ii) the rate of duty of customs (including the additional duty leviable under the said section 3) or the rate of duty of Central Excise, as the case may be, leviable on such fuel is the same at the time of the arrivals and departure of the such aricrafts; and</p> <p>(iii) no drawback of duty of customs or rebate of duty of Central excise, as the case may be, was allowed on such fuel at the time of departures of such aircrafts from India.</p>
2.	Lubricating oil falling within Chapter 27 of the First Schedule to the Customs Tariff Act, 1975, imported in the engines of any aircraft registered in India or of any aircraft of the Indian Air Force.	<p>No drawback of duty of customs or rebate of duty of Central Excise, as the case may be, was allowed on the duty paid lubri-cating oil in the engines of such aircraft at the time of its departure from India.</p> <p>Explanation: "lubricating oil" means any oil as is ordinarily used for lubrication, excluding any hydrocarbon oil which has its flash point below 93.3⁰ centigrade.</p>
3.	Goods imported by the United Arab	(i) The said goods are used by the said Airlines for the

1	2	3
	<p>Airlines:-</p> <ul style="list-style-type: none"> (i) Catering equipment; (ii) spare parts and ramp handling equipment; (iii) Ground Power Unit equipment; (iv) maintenance and repair kits which will be carried on individual aircraft for use in hangars and which are are flown back on the same aircraft. 	<p>maintenance of regular air service to India; and</p> <ul style="list-style-type: none"> (ii) the said goods are kept under the supervision and control of Customs authorities.
4.	Aircraft equipment, engines and spare parts	<ul style="list-style-type: none"> (i) The said goods have been imported by the Air India International or the Indian Airlines having been borrowed by the aforesaid airlines for fitment to their aircraft from foreign airlines outside India or from the foreign manufacturers of the prime equipment; (ii) the importer makes a declaration at the time of import that the said goods are being imported for fitment and re-export; (iii) the said goods are re-exported within one month from the date of their importation into India or such extended period as the Assistant Commissioner of Customs may allow; (iv) the importer executes an undertaking binding himself to pay an amount equal to the duty leviable on the said goods, but for the exemption, in the event of failure to re-export the said goods within the period specified or, as the case may be, the extended period referred to in condition (iii); and (v) the importer produces the said goods before the proper officer for identification before re-export.

