

**GENERAL EXEMPTION NO. 177**

**Exemption to goods including capital goods which are freely importable when imported into India against a duty credit certificate issued under Vishesh Krishi Upaj Yojana (Special Agricultural Produce Scheme):**

[Notfn. No.41/05-Cus., dt.9.5.2005 as amended by Notifn. 77/05, 97/05, 43/06, 63/07, 72/07, 116/07, 125/08,15/09, 19/09, 123/09, 93/10, 37/12, 40/12, 50/12, 4/13, 20/13, 26/17]

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 inputs or goods including capital goods, when imported into India against a duty credit certificate (hereinafter referred to as the said certificate) issued under Vishesh Krishi and Gram Udyog Yojana (Special Agriculture and Village Industry Scheme) in accordance with paragraph 3.8 of the Foreign Trade Policy:-

(a) the whole of the duty of customs leviable thereon under the First Schedule to the Customs Tariff Act, 1975 (51 of 1975),

(b) 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, 1975, subject to the following conditions, namely :-

(1) that the said certificate has been issued to an exporter of products specified in paragraph 3.8.1 of the Foreign Trade Policy by the Licensing Authority or Regional Authority and it is produced before the proper officer of customs at the time of clearance for debit of the duties leviable on the goods:

Provided that exemption from duty shall not be admissible if there is insufficient credit in the said certificate for debiting the duties leviable on the goods, but for this exemption;

(2) that the items allowed for import shall be in accordance with paragraph 3.12.4 of the Foreign Trade Policy.

(3) that the imports against the said certificate are undertaken through sea ports at Mumbai, Kolkata, Cochin, Magdalla, Kakinada, Kandla, Mangalore, Mormagoa, Chennai, Nhava Sheva, Paradeep, Pipavav, Sikka, Tuticorin, Visakhapatnam, Dahej, Mundhra, Nagapattinam, Okha, Bedi (including Rozi – Jamnagar), Muldwarka, Porbander, Dharamtar Vadinar and Haldia (Halida Dock Complex of Kolkata Port), Krishnapatnam and Ennore (Tamil Nadu), Karaikal (Union territory of Puducherry) and Kattupalli (Tamil Nadu) or through any of the airports at Ahmedabad, Bangalore, Bhubaneswar, Mumbai, Kolkata, Coimbatore, Delhi, Hyderabad, Jaipur, Chennai, Srinagar, Trivandrum, Varanasi, Nagpur, Cochin, Rajasansi (Amritsar), Lucknow (Amausi), Inodre and Dabolim (Goa) and Visakhapatnam 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), Talegoan (District

Pune), Dhannad Rau (District Indore), Kheda (Pithampur, District Dhar), Patli (Gurgaon), Irugur Village (Tamil Nadu), Thudiyalur (Tamil Nadu), Chettipalayam (Tamil Nadu) and Veerapandi (Tamil Nadu) Mrippalem Village in Taluk of Edlapadu, District Guntur and Tondiarpet (TNPM), Chennai and Irungattukottai, SIPCOT Industrial Park, Kattrambakkam Village, Sriperumbudur Taluk, Kanchipuram District, Tamil Nadu, 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, Dadri, Tuticorin, Kundli, Bhadohi, Raipur, Mandideep (District Raisen), Durgapur (Export Promotion Industrial Park), Babarpur and Loni (District Gaziabad) or through the Land Customs Station at Ranaghat, Singhabad, Raxaul, Jogbani, Nautanva (Sonauli), Petrapole, Mahadipur, Nepalganj Road, Dawki, Agartala, Sutarkhandi, Amritsar Rail Cargo Attari Road, Hilli, Ghoadanga and Changrabandha or Special Economic Zones as specified in the notification issued under section 76A of the Customs Act, 1962 (52 of 1962);

- (4) that the importer shall be entitled to avail of the drawback or CENVAT credit of additional duty leviable under sub-sections (1), (3) and (5) of section 3 of the Customs Tariff Act, 1975 (51 of 1975) against the amount debited in the said Certificate.
- (5) Omitted (Omitted vide Sec.55 (1) of Finance Act, 2011 w.e.f. 1.4.2008)

2. The following categories of exports specified in paragraph 3.8.2.2 of the Foreign Trade Policy shall not be taken into account for duty credit scrip entitlement under the scheme :-

- a. (i) export of imported goods covered under Para 2.35 of Foreign Trade Policy;
- (ii) exports through transshipment, meaning thereby that exports originating in third country but transhipped through India;
- b. deemed exports;
- c. exports made by Social Economic Zone units; and
- d. items, which are restricted or prohibited for export under Schedule-2 of Export Policy in ITC (HS).

Explanation :- For the purposes of this notification:-

- (i) "Capital goods" has the same meaning as is assigned to it in paragraph 9.12 of the Foreign Trade Policy;

- (ii) “Foreign Trade Policy “ means the Foreign Trade Policy 2004-2009, published by the Government of India in the Ministry of Commerce and Industry vide notification No.1/2004, dated the 31<sup>st</sup> August, 2004 as amended from time to time;
  
- (iii) “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 authorised by him to grant a license under the said Act.