

GENERAL EXEMPTION NO. 28

Exemption to specified goods imported under a Duty Entitlement Pass Book issued in terms of paragraph 4.3 of the Export and Import Policy:

[Notfn. No. 45/02-Cus. dt. 22.4.2002 as amended by 125/02, 57/03, 84/03, 97/03, 63/04, 95/04, 27/05, 46/05, 77/05, 97/05, 41/06, 63/07, 116/07, 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 the goods of description specified in column (2) of the Table below, when imported into India, –

- (a) from so much of **duty of customs** leviable thereon under the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) as is in excess of the amount calculated at the rate specified in the corresponding entry in column (3) of the said Table;
- (b) from so much of **additional duty leviable** thereon under sub-sections (1), (3) and (5) of section 3 of the said Customs Tariff Act, as is in excess of the amount calculated at the rate specified in the corresponding entry in column (4) of the said Table;

subject to the following conditions, namely: -

- (i) that the importer has been issued a **Duty Entitlement Pass Book** by the Licensing Authority in terms of paragraph 4.3 of the Export and Import Policy.
- (ii) the importer has been permitted credit entries in the said Duty Entitlement Pass Book by the Licensing Authority at the rates notified by the Government of India in the Ministry of Commerce for the products exported;
- (iii) the said Duty Entitlement Pass Book is produced before the proper officer of Customs for debit of the duties leviable on the goods but for exemption contained herein :

- Provided that exemption from duty shall not be admissible if there is insufficient credit in the said Duty Entitlement Pass Book for debiting the duty leviable on the goods but for this exemption.
- (iv) the said Duty Entitlement Pass Book shall be valid for twelve months from the date of issue or such extended period as may be granted by the Licensing Authority for import and export only, at the port of registration which shall be one of the sea ports at Mumbai, Kolkata, Cochin, Kandla, Mangalore, Marmagao, Chennai, Nhava Sheva, Paradeep, Tutucorin, Visakhapatnam, Kakinada, Magdalla, Sikka, Pipavav, Dahej, Mundra, Nagapattinam, Okha, Dharamtar, Bedi (including Rozi-Jamnagar), Muldwarka, Porbander and Vadinar or any of the airports at Ahmedabad, Bangalore, Mumbai, Kolkata, Coimbatore, Delhi, Jaipur, Varanasi, Srinagar, Trivandrum, Hyderabad, Chennai, Bhubaneswar, Nagpur, Cochin, Rajasansi (Amritsar), Lucknow (Amausi) and Indore or any of the Inland Container Depots at Bangalore, Coimbatore, Delhi, Gauhati, Kanpur, Pimpri (Pune), Pitampur (Indore), Moradabad, Ludhiana, Hyderabad, Nagpur, Agra, Faridabad, Jaipur, Guntur, Varanasi, Jodhpur, Salem, Tirupur, Singanalur, Waluj, Surat, Malanpur, Nasik, Rudrapur (Nainital), Kota, Udaipur, Daulatabad (Wanjarwadi and Maliwada), Dighi (Pune), Vadodra, Ahmedabad, Bhiwadi, Madurai, Jalandhar, Meerut, 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 Zone as specified in the notification issued under section 76A of the Customs Act, 1962 (52 of 1962).

Provided that where the expiry of the Duty Entitlement Pass Book falls before the last day of the month, such Duty Entitlement Pass Book shall be deemed to be valid till the last day of the said month:

Provided further that the Commissioner of Customs may, by special order and subject to such conditions as may be specified by him, permit imports and exports from any other sea port, airport, inland container depot or through a land customs station;

Provided also that in respect of Duty Entitlement Pass Book issued against supplies to a unit in Special Economic Zone (SEZ), this condition shall apply for the purpose of permitting import of goods.

- (v) where the importer does not claim exemption from the additional duty of customs leviable under sub-sections (1), (3) and (5) of section 3 of the Customs Tariff Act, 1975 (51 of 1975), he shall be deemed not to have availed the exemption from the said duty for the purpose of calculation of the said additional duty of customs.
- (vi) where benefit of exemption from duty is claimed by a person, who is not a Duty Entitlement Pass Book holder, such benefit shall be permissible only against specific amount of credit transferred by a Duty Entitlement Pass Book holder to such person.

TABLE

S.No.	Description of goods	Standard rate	Additional duty rate
1	2	3	4
1.	Goods other than edible oils	Nil	Nil
2.	Edible oils	50% of applied rate of duty	50% of applied rate of additional duty

Explanation. – For the purpose of this notification, –

- (i) “Export and Import Policy” means the Export and Import Policy April, 2002 – March, 2007 published vide notification of the Government of India in the Ministry of Commerce No.1/2002-2007, dated the 31st March, 2002; and
- (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

authorised by him to grant a licence under the said Act.

- (iii) "Special Economic Zone (SEZ)" has the same meaning as assigned to it in paragraph 9.48 of the Export and Import Policy.
- (iv) "applied rate of duty" means the standard rate of duty specified in the First Schedule to the said Customs Tariff Act with respect to the goods specified in column (2) of the said Table, read with any other notification (for the time being in force) issued in respect of such goods under sub-section (1) of section 25 of the said Customs Act;
- (v) "applied rate of additional duty" means the additional duty leviable under under sub-sections (1), (3) and (5) of section 3 of the said Customs Tariff Act with respect to the goods specified in column (2) of the said Table, read with any other notification (for the time being in force) issued in respect of such goods under sub-section (1) of section 25 of the said Customs Act.

