

**K. EXEMPTION TO GOODS ISSUED UNDER - TARGET PLUS SCHEME:****GENERAL EXEMPTION NO. 37****Exemption to goods when imported under the Target Plus Scheme:**

[Notfn.No.73/2006-Cus., dt. 10.7.2006 as amended by 63/07, 116/07, 63/08,15/09, 19/09, 105/09, 93/10, 40/11, 37/12, 40/12, 50/12, 4/13, 20/13, 5/15, 22/17, 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 , -

(i) the goods specified in para 3.7 of the Foreign Trade Policy and in serial number 509 of notification number 21/2002-Customs dated 1.3.2002, in case they are imported by the status holders of marine sector;

(ii) the goods specified in para 3.7 of the Foreign Trade Policy in case they are imported by the status holders of other sectors;

when imported into India against a Duty Credit Certificate (hereinafter referred to as the said certificate) issued under paragraph 3.7 of the Foreign Trade Policy) from

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

(b) 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) that the benefit under this notification shall be available only in respect of duty credit certificate issued under the said Scheme to a Star Export House on the basis of incremental growth in FOB value of exports made during the financial year 2005-06 over the exports made during the financial year 2004-05;

(2) that the said certificate has been issued to a Star Export House by the Regional or licensing 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, but for this exemption:

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;

(3) that the said certificate and goods imported against it shall not be transferred or sold:

Provided that where the goods are imported by a merchant exporter having supporting manufacturer(s) whose name and address is specified on the said certificate, the said goods may be utilised by the said supporting manufacturer(s);

(4) that in respect of capital goods, office equipment and professional equipment, a certificate from the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be, having jurisdiction over the importer's factory or premises is produced confirming installation and use of goods in importer's factory or premises, within six months from the date of import or within such extended period as

the Deputy Commissioner of Customs or Assistant Commissioner of Customs at the port of registration of the said duty credit certificate may allow :

Provided that in respect of units which are not registered with the central excise, the said installation certificate may be issued by an independent Chartered Engineer :

Provided further that where the capital goods, office equipment and professional equipment, are imported by a merchant exporter having supporting manufacturer(s), the goods may be installed in the factory or premises of the said supporting manufacturer(s);

(5) that the imports against the said certificate are undertaken through sea ports at Mumbai, Sikkim, Kolkata, Cochin, Magdalla, Kakinada, Kandla, Mangalore, Marmagoa, Chennai, Nhava Sheva, Paradeep, Pipavav, Sikka, Tuticorin, Visakhapatnam, Dahej, Mundhra, Nagapattinam, Okha, Bedi including Rozi-Jamnagar, Muldwarka, Porbander, Dharamtar, Vadimar, 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), Indore and Dabolim (Goa), Visakhapatnam and Culicut 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, Loni (District Gaziabad) and Melapakkam Village (Arakkonam Taluk, Vellore District) 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, Ghojadanga and Changrabandha or Special Economic Zones as specified in the notification issued under section 76A of the said Customs Act;

(6) that 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 said Customs Tariff Act, 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.

(7) 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 said Customs Tariff Act against the amount debited in the said certificate.

2. The following categories of exports made from 1st April, 2005 to 19th February, 2006 shall not be counted for calculation of export performance or for computation of entitlement under the scheme -

- (i) export of imported goods covered under para 2.35 of the Foreign Trade Policy or exports made through transshipment;
- (ii) export turnover of units operating under SEZ/EOU/EHTP/STP/BTP Schemes or products

- manufactured by them and exported through Domestic Tariff Area units;
- (iii) deemed exports (even when payments are received in Free Foreign Exchange and payment is made from Exchange Earners' Foreign Currency account);
- (iv) service exports;
- (v) rough, uncut and semi polished diamonds and other precious stones;
- (vi) export of gold, silver, platinum and other precious metals in any form, including plain and studded jewellery;
- (vii) export performance made by one exporter on behalf of another exporter.

3. The following categories of exports made with effect from 20th February, 2006 shall not be counted for calculation of export performance or for computation of entitlement under the scheme-

- (i) export of imported goods covered under para 2.35 of the Foreign Trade Policy or exports made through transshipment;
- (ii) export turnover of units operating under SEZ/EOU/EHTP/STP/BTP Schemes or supplies made to such units or products manufactured by them and exported through Domestic Tariff Area units;
- (iii) deemed exports (even when payments are received in Free Foreign Exchange and payment is made from Exchange Earners' Foreign Currency account);
- (iv) service exports;
- (v) diamonds and other precious, semi precious stones;
- (vi) exports of gold, silver, platinum and other precious metals in any form, including plain and studded jewellery;
- (vii) ores and concentrates, of all types and in all forms;
- (viii) cereals, of all types;
- (ix) sugar, of all types and in all forms;
- (x) crude or petroleum oil and crude/petroleum based products covered under ITC HS Codes 2709 to 2715, of all types and in all forms;
- (xi) export performance made by one exporter on behalf of another exporter.

Explanation, - In this notification –

- (i) “goods” means any inputs, capital goods including spares, office equipment, professional equipment, office furniture, and agricultural products listed in Chapters 1 to 24 of the First Schedule to said Customs Tariff Act as may be notified by DGFT from time to time,
- (ii) “capital goods” has the same meaning as assigned to it in paragraph 9.12 of the Foreign Trade Policy;
- (iii) “Foreign Trade Policy “ means the Foreign Trade Policy 2004-2009 updated as on 31st March, 2005, published by the Government of India in the Ministry of Commerce and Industry vide notification No.1/(RE-2005), dated the 8th April, 2005 as amended from time to time;
- (iv) “Regional or 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 or certificate under the said Act.

