

GENERAL EXEMPTION NO. 47**15% Customs duty and Nil additional duty on Capital equipments and spare parts imported under (EPCG) Scheme for Service Sector - EXIM Policy 1992 -97.**

[Notfn. No. 122/93-Cus., dt. 14.5.1993 as amended by 108/94, 101/95, 108/95, 46/13, 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 **capital equipments, and spare parts** required for maintenance of such capital equipment not exceeding 10% of the C.I.F. value of the capital equipments actually imported, when imported into India by an importer undertaking an obligation to receive payments in freely convertible foreign currency for **services rendered** through the use of such capital equipment, equivalent to **four times the C.I.F. value of the said capital equipments and spare parts over a period of five years**, from so much of the **duty of customs** leviable thereon which is specified in the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) as is **in excess of 15% ad valorem** and **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:

- (i) the capital equipments and spare parts imported are covered by a valid licence issued on or before 30th April 1995 under the Export Promotion Capital Goods (**E.P.C.G.**) **Scheme for Service Sector** in terms of the Export and Import Policy and the said licence is produced for debit at the time of clearance;
- (ii) the importer, at the time of clearance; before the Assistant Commissioner of Customs, produces a certificate from the licensing authority for having executed a bond under paragraph 45 of the Export and Import Policy; and
- (iii) the importer at the time of clearance of the said capital equipments and spare parts makes a declaration before the Assistant Commissioner of Customs, in such form as the said Assistant Commissioner of Customs may specify, binding himself to pay on demand an amount equal to the duty leviable on such capital equipments and spare parts, but for the exemption contained herein, in respect of which the conditions for this notification have not been complied with.
- *(iv) where the licensing authority grants any extension of the period for fulfilment of export obligation or regularisation of shortfall in export obligation not exceeding 5% of such export obligation, in terms of, and subject to satisfaction of such conditions as may be specified in Public Notice of the Government of India the Ministry of Commerce in this regard, the said period of fulfilment of export obligation may be extended, but shall in no case be extended beyond the 31st March, 2002, and the said short fall in export obligation condoned by the Assistant Commissioner of Customs or the Deputy Commissioner of Customs, as the case may be.

2. In a case of default in export obligation, when the duty on goods is paid to regularise the 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-

- (i) “capital equipment” means the equipment as may be specified in a Public Notice issued by the Director General of Foreign Trade in this behalf and required for rendering services for which payment is received in freely convertible foreign currency;

“Provided that against licences issued on or after 31st March, 1994, the ‘capital equipments’, in relation to an importer, being a hotel or a restaurant, means the equipments for use in the hotel or the restaurant specified in the Table annexed hereto;”

- (ii) “Export and Import Policy” means Export and Import Policy, 1 April 1992 - 31 March 1997 Published vide Public Notice of the Government of India in the Ministry of Commerce No.1-ITC(PN) 982-97, dated the 31st March, 1992 as amended from time to time; and
- (iii) “licensing authority” means Director General of Foreign Trade, appointed under Foreign Trade (Development and Regulation) Act, 1992 (22 of 1992) or an Officer authorised by him to grant a licence.

TABLE

LIST OF CAPITAL EQUIPMENT FOR HOTELS AND RESTAURANTS

- (A) FOOD AND BEVERAGES EQUIPMENT
(OTHER THAN HOUSE HOLD TYPE)
1. Cooking Range/Chinese Cooking Range Hot Plates/Griddle Sets (with accessories)
 - Gas
 - Electric
 - Oil Fired
 2. Steam Kettles/Boiling Kettles; Pans, Tilting Frying Pans
 - Gas
 - Electric
 3. Plate & Cup Lowerator/Warmers Chafing Dishes.
 4. Food Regenerating Equipment.
 5. Salamanders/Broilers/Grillers/Char Broiler
 - Gas
 - Electric
 6. Ovens - Baking/Bakery/Pizza/Convection/Rotary/Rotating/Microwave/Under Counter/
Proofing Cabinet
 - Gas
 - Electric
 - Microwave
 7. Deep Fat Fryers
 - Gas
 - Electric
 8. Cooking/Steaming/Frying/Broiling/Boiling Machines/Pressure Cookers/Pressureless/

Pressure Steamers

- Gas
- Electric
- 9. Bain Maries/Food Pans
 - Gas
 - Electric
 - Steam Heated
- 10. Refrigerated Display Counters/Racks/Shelves/Cases/Cabinets/Carts
 - All types (with/without Rotatry Motor)
 - Sandwich unit
- 11. Almond Crushing/pastry Machines
- 12. Coffee Machines/Makers with Blenders/Grinders/Espresso
- 13. Chocolate Melting Machines-
 - (a) Shaving Machine
 - (b) Coating Machines
 - (c) Holding Machines
 - (d) Tempering Machines
- 14. Dough Mixing & Dividing Machines
- 15. Ice cream making Machine/Hardening Cabinet
- 16. Infra Red Food Warmer/Roll Warmer
- 17. Juice extractors/Dispensers/Blenders/Mixers (Cream Air Whip)
- 18. Pancake/Waffle Iron Machines/Croissant Machine Pasta Machines
- 19. Sausage Machines
- 20. Trollies (All types)
- 21. Egg Boilers
- 22. Machines for Slicing/Cutting/Chopping/Mincing/Grinding and Buffalo Chopper
- 23. Can Openers (Mechanical)
- 24. Ice Cube/Crushing/Flaking machines/Dispensing Machine/Water & Ice Station
- 25. Prefabricated Walk-in cold rooms/Freezers with refrigerating equipment
- 26. Dispensers (hot/cold beverages)
- 27. Potato Peelers/Choppers
- 28. Hot Plates (Electrical)/Coffee Warmer
- 29. Toasters (Electrical) Pop-up/Rotary/Slot pop Down/Conveyor
- 30. Puree machines
- 31. Blast Freezers/Blast Chillers
- 32. Vacuum packing Machine
- 33. Oil Filtering Machine
- 34. Glass/Dishwashing/Pot-washing Machine with trollies
- 35. Kitchen/Bulkware Wash-up Equipment
- 36. Vegetable Preparation & Washing Machines
- 37. Burnishing Machines
- 38. Smoker/Smoking oven
- 39. Salad Dryer
- 40. Glass/Plate Dispenser
- 41. Waste Food Disposal Machine and Compactors

(B) FRONT OFFICE EQUIPMENT

1. Wireless paging Systems
2. Elevators/Escalators
3. (a) Fire Fighting Equipments
- (b) Breathing Apparatus
- (c) Fogging Machine
4. (a) Smoke Detectors
- (b) Fire Spinklers System
- (c) Gas leak detectors
5. Room Temperature Controllers and Motorised Valves for air-conditioning system
6. Absorption Refrigeration Systems (Minibars)
7. Facsimile Machines
8. Time & Date Stamp Machines
9. Electronic Time Card System
10. Fabco Systems/Restaurant Management Systems/management reporting system
11. Computerised Electronic Vaults
12. Stationery Imprinters
13. Locks with Master Key system
14. EPABX with minimum 200 lines and 400 telephones

(C) HOUSE KEEPING EQUIPMENTS

1. Hand Dryers
2. Vacuum Cleaners/Papooosing Machine
3. Carpet Shampooing Machine/Drying Machines
4. Deodorising Carpet cleaning Machine
5. File Lifters
6. Floor Polishing Machine/Scrubbing Machine
7. Underwater Lighting Equipment
8. Pool Clearners (sumberged/non-submerged)
9. (a) Beach Cleaning Machines
- (b) Automatic Lawn Mowers/Cutters
- (c) Lawn Cleaning Equipment
10. Cigar Humider
11. Ultra High Pressure Waster with accessories for coil cleaning/Drain cleaning
12. Motorised Dust Pick-up Machines
13. (a) Drip Irrigating System
- (b) Green House Equipment
14. Pre-Fabricated Steam and Shower Cubicles
15. Shoe shine Machine with Dispensers
16. Bath Tubs (Cast Iron/Acrylic/Porcelain)

(D) LAUNDRY EQUIPMENT OTHER THAN HOUSEHOLD TYPE

1. Washing Machines
2. Dry Clearing Machines
3. Portable Weighing Trolleys for Washing Machines
4. Steam Boilers

5. Folding Machines & Cross Folders for Bed Sheets (Speader/Stacker)
6. Starch Cooker
7. Lint Separator
8. Washer Extractors
9. Laundry Press, Multipurpose
10. Steam Finishing Boards
11. Marking machines
12. Water Spray Gun
13. Vacuum Pump Unit
14. Spotting Board
15. Tumblers Dryer
16. Flat work Iron
17. Steam Cabinet Unit
18. Upholstery processing Machine
19. Puff Iron

(E) HEALTH CLUB/BEAUTY PARLOUR/BARBER SHOP

1. Seuna Heaters (with Lava Stones)/Saunas
2. Hair Styling Chairs/Back Wash Chairs
3. (a) Electric Hair Dryers other than hand-held type
(b) Electric Hair Clippers
4. Hair Steaming and Vapozone machines, Back Washbasins, Fitting & Storage Cabinets
5. Sterelising Machines/Electrolysis Machines
6. Exercising/Electric Ergocycles/Aerobic cycles/Computerised Treadmill (Power Jog Machine/Jogomatic Motorised Treadmill)
7. Magnifying Glass Lamp equipment
8. High Frequency hair drying and setting equipment
9. Suction Machine (For blackhead removing)
10. Disincrustation Machine
11. Facial Massage machine
12. Dermatron Equipment
13. Orbital massagers
14. Abdominal Board
15. Steam bath
16. Electrical Hair Disposal Machine
17. Slender tone slimming equipment
18. MSA Oxygen Administrator complete with Cylinder and face mask
19. MultiGym Machines
20. Bath tube for hydro-therapy
21. Habitat Units

(F) PROFESSIONAL AUDIO VISUAL/VIDEO EQUIPMENT (STUDIO QUALITY)

1.
 - (i) Cameras with accessories
 - (ii) Video Mixers
 - (iii) Monitors
 - (iv) T.V. and Modulators
 - (v) Convertors
 - (vi) Headphones
2.
 - (i) Turn Table
 - (ii) Amplifiers/Channal Tuner
 - (iii) Cassette Players
 - (iv) Loud Speakers
3. Compact Discplayer, Carousel, Studio Projector
4. Lasor Beam Projection Equipment
5.
 - (i) High Power amplifiers (Stereo and mono)
 - (ii) Speakers
 - (iii) Graphic Equaliser
 - (iv) Decible Watcher
6. Motorised Disco/Rotating Lights/Strobe/Ultraviolet
7. Console for lighting music controls including dimmer and accessories
8. Smoke Machine
9. Lighting equipments/lights for creating different patterns, special lighting effect, light fittings.
10. Fiber optic based lighting projector
11. Automatic projection equipment screen studio type model mudulator.
12. Control equipments for sound light equipment

(G) MISCELLANEOUS (ENGINEERING)

1. Diesel Generators above 1000 KVA
2. Reverse Osmosis Unit
3. Solar Energy system
4. Centrifugal Chillers
5. High Pressure Cleaners/jets
6. Water Filters for drinking water
7. Centrifugal Heat Reclaim Machines
8.
 - (a) Fan Coil Units and Air handling Units
 - (b) Air Curtains
9. Lithium Bromide equipment for heating/cooling
10. Natural Gas Power Generation Units
11. High Pressure Scrubbers for Units pollution Control
12. Heat Pumps or
Air conditioning Machines with Space Heating or Space Cooling applications of the Energy Saving type
13. Magnetic Locking devices/sliding folding partition
14. Garbage Incinerator with heat recovery unit (Steamer hot water) boiler

15. Bottle cursher -
Garbage pulping and pumping facility
16. 6600 Vol/1100 volts high tension magger & Insulation testing kit
17. Automatic Microprocessors Based Load Demand Controllers for Efficient Load Management

(H) EQUIPMENT FOR RECREATIONAL FACILITIES

1. Bowling Alleys with accessories including electronic scoreboard
2. All weather domes of tennis courts including HVA equipments.
3. Prefabricated glass walled squash courts.
4. Billiard and snooker tables with accessories.
5.
 - (i) water slides
 - (ii) pneumatic chutes
 - (iii) Roller coasters
 - (iv) Carousels

(I) ADVENTURE SPORTS EQUIPMENT ONLY FOR RESORT HOTELS

1. Beach Buggies/Snow Mobiles/Sand and Dune Buggies.
2.
 - (i) Speedboats
 - (ii) Catamarans
 - (iii) Rafts of all kinds
3.
 - (i) Water Scooters
 - (ii) Jet Skis
4. Water skiing and surfing equipment including surf boards, water skis - kneeboards
5. Canoes and Kayaks
6. Deep-sea fishing equipment
7. Equipment for snorkelling and scuba diving.
8.
 - (i) Wing surfing equipment
 - (ii) Hand gliding and para sailing equipment
 - (iii) Boats for parasailing with windies
9. Sonar device for locating fish, depth finders.
10. Underwater sports and diving equipment.
11. Hot air balloons and ballooning equipment.
12. Ice skiing equipment
13. High gear mountain bikes

(J) EQUIPMENT FOR GOLF FACILITIES

1. Golf carts with accessories
2. Golf course lawn mowers of all kinds.

*inserted (w.e.f. 14.5.1993) by serial No.4 of the Eighth Schedule read with section 115 of the Finance Act, 2001.