

M. 100% EOU, FTZ, STP AND EHTP SCHEMES:**GENERAL EXEMPTION NO. 53**

Exemption to specified goods imported or procured by EOU's, STP Units, EHTP units etc. for specified purposes:

[Notfn. No. 52/03-Cus. dt. 31.3.2003 as amended by Notfn. Nos.1/04, 31/04, 40/04, 87/04, 50/05, 44/06, 5/07, 76/07, 84/07, 47/08, 60/08, 18/09, 106/09, 53/12, 33/15, 34/15, 55/15, 44/16(changes w.e.f. 13.8.16), 59/17, 78/17, 33/18, 65/18, 79/18, 9/19, 16/2020]

In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962) (hereinafter referred to as the said Customs Act), the Central Government, being satisfied that it is necessary in the public interest so to do, hereby exempts,-

(a) all goods as specified in the Annexure -I to this notification, when **imported or procured from a Public Warehouse or a Private zzzWarehouse appointed or licensed**, as the case may be, under section 57 or section 58 of the said Customs Act or from international exhibition held in India for the purposes of -

(i) **manufacture of articles for export or for being used in connection with the production or packaging or job work for export of goods or services by export oriented undertaking** (hereinafter referred to as the unit) other than those referred to in clauses (b), (c) and (e), or

(ii) **manufacture or development of software, data entry and conversion, data processing, data analysis and control data management or call center services for export by Software Technology Park (STP) unit**, or a unit in Software Technology Park Complex under the export oriented scheme (hereinafter referred to as the unit) ; or

(iii) **manufacture and development of electronics hardware or electronics hardware and software in an integrated manner for export** by an Electronic Hardware Technology Park (**EHTP**) unit or a unit in Electronic Hardware Technology Park Complex under the export oriented scheme (hereinafter referred to as the unit); or

(b) **all goods specified in the Annexure-II** to this notification, when imported into India or procured from a Public Warehouse or a Private Warehouse appointed or licensed, as the case may be, under section 57 or section 58 of the said Customs Act or from international exhibition held in India **for the purposes of production, manufacture or packaging of articles specified in Annexure-III for export by export oriented undertaking in horticulture, agriculture and animal husbandary sector** (hereinafter referred to as the unit); or

(c) **all goods specified in the Annexure-IV** to this notification when imported into India or procured from a Public Warehouse or a Private Warehouse appointed or licensed, as the case may be, under section 57 or section 58 of the said Customs Act or from international exhibition held in India **for the purpose of use in aqua-culture farm in connection with operational requirements of such aquacultural farm and export of aquacultural products so produced by export oriented undertaking in aquaculture sector** (hereinafter referred to as the unit); or

(d) **all goods specified in the Annexure-V** to this notification, when imported into India or procured from

a Public Warehouse or a Private Warehouse appointed or licensed, as the case may be, under section 57 or section 58 of the said Customs Act or from international exhibition held in India for the purposes of **quarrying of granite by export oriented undertaking engaged in processing and manufacture or production of articles of granite for export** (hereinafter referred to as the unit) ; or

(e) **all goods specified in the Annexure-VI**, when imported into India or procured from a Public Warehouse or a Private Warehouse appointed or licensed, as the case may be, under section 57 or section 58 of the said Customs Act or from international exhibition held in India for the purpose of **manufacture of gems and jewellery and export thereof by export oriented undertaking in the Special Export Oriented Complex, Jhandewalan and export oriented undertaking in gems and jewellery sector** (hereinafter referred to the unit),

(f) **all goods specified in the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) (except those which are prohibited for import under any law for the time being in force) when imported for the purpose of trading by the trading units which were in existence prior to the 31st March, 2002 and having valid letter of permission to continue under the Export Oriented Undertaking Scheme.**

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 the additional duty, if any, leviable thereon under sub-sections (1), (3) and (5) of section 3 of the said Customs Tariff Act; and

(B) the integrated tax and compensation cess leviable thereon under sub-sections (7) and (9), respectively of section 3 of the said Customs Tariff Act:

Provided that nothing contained in clause (B) above shall apply on or after the 1st day of April, 2021, subject to the following conditions, namely:-

(1) The importer has been authorised by the Development Commissioner to establish the unit for the purposes specified in clauses (a) to (e) of the opening paragraph of this notification;

(2) The unit carries out the manufacture, production, packaging or job-work or service in subject to such conditions as may be specified by the Deputy Commissioner of Customs or Assistant Commissioner of Customs or Deputy Commissioner of Central Excise or Assistant Commissioner of Central Excise, as the case may be, (hereinafter referred as the said officer) in this behalf;

2A. The unit shall follow the procedure prescribed under rule 5 of the Customs (Import of Goods at Concessional Rate of Duty) Rules, 2017, for import of goods.

(3) The unit executes a bond in such form and for such sum and with such authority, as may be specified by the said officer, binding himself,—

(a) to bring the said goods into the unit or and use them for the specified purpose mentioned in clauses (a) to (e) in the opening paragraph of this notification ;

(b) to maintain proper account of the receipt, storage and utilization of the goods;

(c) to dispose of the goods or services, the articles produced, manufactured, processed and packaged in the unit, or the waste, scrap and remnants arising out of such production, manufacture, processing or packaging in the manner as provided in the Foreign Trade Policy and in this notification;

(d) to pay on demand-

(I) an amount equal to duty leviable on the goods and interest at a rate as specified in the notification of the Government of India in the Ministry of Finance (Department of Revenue,) issued under section 28AB of the said Customs Act on the said duty from the date of duty free import of the said goods till the date of payment of such duty, if -

(i) in the case of capital goods, such goods are not proved to the satisfaction of the said officer to have been installed or otherwise used within the unit, within the period of validity of the Letter of Permission (LoP);

(ii) in the case of goods other than capital goods, such goods as are not proved to the satisfaction of the said officer to have been used in connection with the production or packaging of goods for export out of India or cleared for home consumption within the period of validity of the Letter of Permission (LoP)

(a) where no SION have been notified, the generation of waste, scrap and remnants upto 2% of input quantity shall be allowed;

(b) where additional items other than those given in SION are required as input or where generation of waste, scrap and remnants is beyond 2% of the input quantity, use of such goods shall be allowed on the basis of self-declared norms till such norms are fixed on *ad hoc* basis by the jurisdictional Development Commissioner within a period of three months from the date of self declared norms and the unit shall undertake to adjust the self-declared/ *ad hoc* norms in accordance with norms as finally fixed by the Norms Committee for the unit. The ad-hoc norms will continue till such time the final norms are fixed by the Norms Committee;

(c) in case of utilization of a large number of inputs, wide variation in quantum of consumption of inputs or such other factors which render such fixation of SION difficult in the case of a particular unit, the Norms Committee may refer the case to the Board of Approval for a decision.

(iii) in the case of,-

(a) **goods produced or packaged, such goods have not been exported out of India,**

and

(b) **unused goods** (including empty cones, bobbins or containers, if any, suitable for repeated use) as have not been **exported or cleared for home consumption,**

within a period of **one year** from the date of import or procurement of such goods or within such extended period as the said officer, as the case may be, on being satisfied that there is sufficient cause for not using them as above within the said period, allow;

(II) in case of failure to achieve the said positive **Net Foreign exchange Earning**, the duty equal in amount to the portion of the duty leviable on the said goods but for the exemption contained in this notification and the duty so payable shall bear the same proportion as the unachieved portion of Net Foreign exchange Earning bears to the positive Net Foreign exchange Earning to be achieved alongwith interest at the rate as specified in the notification of the Government of India in the Ministry of Finance (Department of Revenue,) issued under section 28AB of the said Customs Act, on the said duty to be paid on demand from the date of importation or procurement of the said goods till the payment of such duty.

(4) The said officer may, subject to such conditions and limitations as may be imposed by him and subject to

the provisions of the Foreign Trade Policy,—

- (i) permit re-export of the goods;
- (ii) Omitted
- (iii) **permit the goods (other than capital goods)** or goods partially processed or manufactured or packaged in the unit, to be taken **outside the unit** without payment of duty for the purpose of **test, repairs, replacement, calibration, refining, processing, display, job-work** or any other operation necessary for manufacture of final product and to be returned to the unit, thereafter or remove the same without payment of duty under bond for export from job-worker's premises:

Provided that in case of export from the job-worker's premises, such job-worker shall be Central Excise registrant under section 6 of the Central Excise Act, 1944 (1 of 1944), read with rule 9 of the Central Excise Rules, 2017 or as a GST registrant under the Central Goods and Service Tax Act or the State Goods and Service Tax Act or the Union Territory Goods and Service Tax Act, 2017 and rules made thereunder:

Provided further that waste or scrap or remnants generated during such process at the job-worker's premises shall be either returned to the unit or shall be cleared on payment of duty as if the said waste, scrap or remnants have been cleared by the same unit;

Provided that in case of status holder, the capital goods may be taken out of the unit on the basis of prior intimation to the said officer and no prior permission shall be required.

- (iv) permit removal of moulds, jigs, tool, fixtures, tackles, instruments, hangers, patterns and drawings without payment of duty to the premises of the sub-contractors subject to the condition that such goods shall be brought back to the unit on completion of the job-work within the stipulated period as specified by the said officer;

- (v) permit the goods or goods partially processed or manufactured or packaged therefrom in the unit to be taken **out of India** for the purpose of processing if such processing is not available in India, **after the approval of the Board of Approval**, without payment of duty and to be returned to the unit thereafter, subject to such condition or limitation, as may be specified by him in this behalf:

Provided that this condition shall not apply to the unit engaged in manufacture and export of gem and jewellery;

- (va) permit the goods partially processed or manufactured or packaged therefrom in the unit to be taken out of India for the purpose of processing on subcontract basis and clear therefrom the goods so processed without bringing back into India:

Provided that the goods partially processed or manufactured or packaged so taken out of India are specified in the Letter of Permission or Letter of Intent issued by the Development Commissioner;

- (4a) The unit may take outside the unit samples of manufactured goods to another unit in a special economic zone or to other export oriented undertaking or Electronic Hardware Technology Park (EHTP) unit or Software Technology Park (STP) unit, as the case may be, without payment of duty for display, after giving intimation to the said officer subject to the condition that such sample shall be returned to the unit within a period of thirty days of taking out the sample from the unit.

(4b) The unit may transfer capital goods or goods manufactured, produced, processed or packaged in that unit to any other unit in a Special Economic Zone (SEZ) or other Export Oriented Undertaking (EOU) or Electronic Hardware Technology Park (EHTP) unit or Software Technology Park (STP) unit, as the case may be, without payment of duty for the purpose of manufacture and export therefrom or for use within the unit after giving prior intimation to the said officer, subject to maintenance of proper accounts of removal and receipt of goods such transferred goods may also be returned by the second unit to the original unit in case of rejection without payment of duty.

(4ba) In respect of a group of EOUs or EHTPs or STPs as the case may be, BTP units which source inputs centrally in order to obtain bulk discount and, or, reduce cost of transportation and other logistics cost and, or, to maintain effective supply chain, inter unit transfer of goods and services may be permitted on a case-to-case basis by the Unit Approval Committee. In case inputs so sourced are imported and then transferred to another unit, then value of the goods so transferred shall be taken as inflow for the unit transferring these goods and as outflow for the unit receiving these goods, for the purpose of calculation of NFE.

(4c) The unit may remove the capital goods temporarily within the country without payment of duty for the purposes of test, repair, calibration, refining and return thereof, after giving intimation to the said officer, subject to maintenance of proper accounts of removal and receipt of goods.

(5) Omitted.

(6) The said officer may, subject to such conditions and limitations as may be imposed by him and subject to the provisions of Foreign Trade Policy, permit the unit engaged in manufacture and export of gems and jewellery, -

(i) to take out gold or silver or platinum for job-work in the Domestic Tariff Area and to bring back the jewellery finished or semi-finished, including studded jewellery :

Provided that no cut and polished diamonds, precious stones or semi-precious stones shall be allowed to be taken out of the unit;

(ii) to receive plain gold or plain silver or plain platinum jewellery from any place in India against exchange of gold or silver or platinum, as the case may be, of the equivalent quantity in weight as that of the said gold or silver or platinum contained in the said jewellery:

Provided that in case of activities mentioned at (i) and (ii) in this condition, the Domestic Tariff Area unit supplying such jewellery against exchange of gold or silver or platinum or after jobwork shall not be entitled for deemed export benefits and the said unit shall not be eligible for wastage or manufacturing loss against exchange of such jewellery in case of activity as mentioned at (ii) above;

(iii) to re-export the imported goods and export the domestically procured goods including goods generated out of partial processing or manufacturing from such goods;

(iv) with the **approval of the Development Commissioner, personal carriage** of gold jewellery or silver jewellery or platinum jewellery or precious stones or semi-precious stones or beads and articles as samples **upto US\$ 1million** for export **promotion tours and temporary display or sale abroad** subject to the condition that the exporter would bring back such jewellery, precious stones or semi-precious stones or

beads and articles or the sale proceeds within a period of forty-five days from the date of departure through normal banking channel;

Provided that in case of status holder, no approval of Development Commissioner or permission of the said officer shall be essential and personal carriage of the goods may be undertaken after giving intimation to the Development Commissioner and the said officer.

(v) with the approval of Development Commissioner, export of jewellery for holding, or participating in, an exhibition abroad subject to the condition that the jewellery not sold shall be re-imported within sixty days of the close of the exhibition;

Provided that in case of exhibition in USA, the time period for re-importing the jewellery shall be ninety days.

(vi) to export jewellery including branded jewellery for display and sale in the permanent shops set up abroad, provided that such items not sold abroad within one hundred eighty days, shall be re-imported within next forty five days ;

(vii) to remove parts and tools of machines temporarily into Domestic Tariff Area without payment of duty for the purpose of repairs and return thereof after such repairs;

(viii) to remove moulds, tools, patterns and drawing to the premises of the sub-contractors for jobwork without payment of duty and to be returned to the unit thereafter within the period specified in this behalf by the said officer;

(ix) to send scrap, dust or sweepings of gold or silver arising in the manufacturing process in its unit to the Government Mint for conversion into standard gold or silver bars and to be returned to the said unit thereafter in accordance of the procedures specified by the Commissioner of Customs in this regard or to clear such scrap, dust or sweeping to the Domestic Tariff Area on payment of duty on the gold or silver content in the said scrap, dust or sweepings as specified in the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 50/2017-Customs, dated 30-6-2017.

(x) **clearance of jewellery into Domestic Tariff Area up to ten per cent.** of the value of export of the unit in the preceding year, on payment of applicable duties, subject to the permission of the Development Commissioner;

(xi) import and export of the said goods, other than capital goods, under this notification by air freight through the Customs Airports of Mumbai, Kolkata, Chennai, Thiruvananthapuram, Delhi , Bangalore and Ahmedabad or through the post parcel;

(xii) to export jewellery manufactured in the unit through the authorized couriers as per procedure specified by the Commissioner of Customs, as the case may be:

Provided that exports are made through Customs Houses at Mumbai, Kolkata, Chennai, Delhi, Jaipur, Bangalore, Ahmedabad, or Hyderabad and the Free On Board (FOB) value of any consignment through **authorized courier shall not exceed rupees twenty lakhs;**

(xiii) to supply gem and jewellery manufactured in the said unit to the retail outlets or showrooms set up in the departure lounge at international airports at Calicut, Cochin, Delhi, Hyderabad, Kolkata, Mumbai,

Thiruvananthapuram and Visakhapattanam, in accordance with the Foreign Trade Policy for sale to the tourist as defined in the Baggage Rules, 2016, leaving India in accordance with the procedures specified by the Commissioner of Customs, as the case may be;

(xiv) situated in municipal limits of Chennai, Delhi, Kolkata and Mumbai, to sell gems and jewellery manufactured in the unit to foreign bound passengers to be transferred in accordance with Foreign Trade Policy to the customs warehouse at respective Customs Airport for being handed over to the said passenger for the purpose of export as per procedure specified by the respective Commissioner of Customs, as the case may be, in this regard;

(xv) subject to the fulfillment of such conditions as he may specify, the maximum wastage or manufacturing loss of gold or platinum or silver during the manufacture of jewellery or articles thereof shall be as per paragraph 4.60 of the Handbook of Procedures.

Explanation.- For the purposes of this sub-condition,

(a) the percentage of wastage shall be calculated with reference to the total quantity of gold or platinum or silver imported or issued for manufacture of the jewellery;

(b) no wastage shall be allowed for jewellery procured against exchange under provisions of the Foreign Trade Policy.

Provided that per gram value of the semi-precious stones utilized in the making of jewellery and articles is less than the per gram value of gold.

(7) In the event of unit engaged in manufacture and export of gem and jewellery ceasing its operation, gold, other precious metal, alloys, gems and other materials for the manufacture of jewellery shall be transferred to such person, undertaking, agency or authority, as the Government of India in the Ministry of Commerce and Industry, may specify in this behalf.

(8) Subject to the satisfaction of the said officer, duty shall not be leviable in respect of capital goods, raw material, consumables, spares, goods manufactured, processed or packaged, and scrap or waste or remnants or rejects are destroyed within the unit after intimation to Customs authorities or destroyed outside the unit with permission of Customs authorities.

Provided that this condition shall not apply in case of unit engaged in manufacture and export of gold, silver, platinum, diamond, precious and semi precious stones.

(i) the capital goods, if such capital goods are destroyed within the unit or outside the unit, when it is not possible or permissible to destroy the same within the unit, in the presence of Customs;

(ii) the scrap or waste material or remnants arising in the course of production, manufacture, processing or packaging, if such scrap or waste material or remnants are destroyed within the unit or destroyed outside the unit when it is not possible to destroy the same within the unit :

Provided that this condition shall not apply in the case of unit engaged in manufacture and export of gem & jewellery.

(9) The Software Technology Park (STP) unit may be allowed to import duty free Telematic Infrastructure equipment. The telemetric infrastructure equipment so imported may also be utilized for export by other Software Technology Park (STP) units.

(10) The Commissioner of Customs, may allow the infrastructural equipments imported by Software Technology Park (STP) unit to be linked to research or educational institute (other than institute engaged in commercial activities) as may be approved by the Inter Ministerial Standing Committee for research, education or any such non commercial purposes as per procedure specified by him in this regard and subject to necessary permission granted by the Inter Ministerial Standing Committee;

(11) The said officer may permit Software Technology Park (STP) unit to use computer system for training

purposes (including commercial training) subject to the condition that the unit had achieved positive Net Foreign exchange Earning and that no computer terminal shall be installed outside the premises of the unit;

(12) The said officer subject to the approval of the Commissioner of Customs, as the case may be, may allow diesel generating sets, captive power plants, central air-conditioning equipments, uninterrupted power supply system, networking equipments, EPABX, Fax, photocopier equipments, data transfer protocol equipments and security system imported by an export oriented undertaking, or Electronic Hardware Technology Park (EHTP) unit, or Software Technology Park (STP) unit to be utilized by other export oriented undertaking, or Electronic Hardware Technology Park (EHTP) unit, or Software Technology Park (STP) unit, belonging to the owner of the importing unit for the purposes of development of software, data entry and conversion, data processing, data analysis and control data management or call center services and export thereof but such goods shall not be removed from the premises of the importing unit. The said officer subject to the approval of the Commissioner of Customs, as the case may be, may also allow sharing of infrastructural facilities among EOUs in accordance with and subject to the terms and conditions specified in para 6.12(g) of Foreign Trade Policy 2015-2020.

(12a) An EOU which intends to set up warehousing facilities outside the EOU premises and outside the jurisdiction of Development Commissioner, at a place near to the port of export, to reduce lead time for delivery of goods overseas and to address unpredictability of supply orders, is permitted to do so subject to the provisions of notification No. 46/2001-CE (N.T.) dated, the 26th June, 2001 as amended from time to time.

(13) The unit engaged in trading shall not be allowed to,-

- (i) sell any goods so imported in the domestic tariff area or remove samples in the domestic tariff area;
- (ii) export goods through merchant exporter or through any other exporters;
- (iii) transfer the goods to other export oriented undertaking or unit in Electronic Hardware Technology Park (EHTP) or Software Technology Park (STP) or special economic zone;
- (iv) remove the goods outside the premises of the unit for the purpose of jobwork;

2. Notwithstanding anything contained in this notification, in a case of unit engaged in the development of Computer Software, data entry and conversion, data processing, data analysis and control or data management, the exemption contained in this notification shall also apply to goods imported by such units for providing consultancy services for development of software “on site” abroad:

Provided that the conditions stipulated in this notification are complied with by such unit and the duty free goods are not used outside the premises of the unit;.

Explanation.- The consultancy fees received by such unit in convertible foreign currency for consultancy services for development of software ‘on site’ abroad shall be deemed to be exports for the purpose of fulfilment of positive Net Foreign exchange Earning under this notification.

3. Notwithstanding anything contained in this notification, the exemption from the whole of duty of Customs leviable thereon under First Schedule to the Customs Tariff Act, 1975 (51 of 1975), shall not apply to inputs which on importation into India or procurement, are used for the purpose of manufacture of finished goods [other than falling under Fourth Schedule of Central Excise Act, 1944 (1 of 1944)] or services and such finished goods and services, (including by-products, rejects, waste and scrap arising in the course of production, manufacture, processing or packaging of such goods) are supplied in Domestic Tariff Area in

accordance with the Foreign Trade Policy, on payment of applicable Goods and Service Tax leviable thereon, or are in stock at the time of exit from the scheme in accordance with the Foreign Trade Policy and in case of waste and scrap within SION or within norms fixed by the Norms Committee or norms as approved by the Board of Approval the exemption in respect of goods imported or procured under this notification would continue to be admissible:

Provided that, in case such finished goods (including by-products, rejects, waste and scrap) including those falling under Fourth Schedule of the Central Excise Act, 1944 (1 of 1944) or services are cleared to the warehouse appointed or registered under notification of the Government of India in the Ministry of Finance (Department of Revenue) No 26/98-Central Excise (NT) dated the 15th July, 1998 or No. 46/2001- Central Excise (NT) dated the 26th July, 2001 or cleared to the warehouse authorised to carry out manufacturing process or other operation under section 65 of the Customs Act, 1962, and under the Manufacture and Other Operations in Warehouse Regulation or cleared to organisations which are entitled for duty free import of such goods in terms of the following exemption notifications:-

- (i) No. 36/17-Customs dated the 30th June, 2017;
- (ii) No. 152/94-Customs dated the 13th July, 1994;
- (iii) No. 39/96-Customs dated the 23rd July, 1996;
- (iv) No. 50/96-Customs dated 23rd July, 1996;
- (v) No. 84/97-Customs dated the 11th November, 1997;

issued by Ministry of Finance in pursuance to clause (e) of paragraph 6.9 of the Foreign Trade Policy, without payment of duty, the exemption in respect of goods imported or procured under this notification would continue to be admissible:

Provided further that where finished goods (including rejects, waste, scrap, remnants and by-products) are either non excisable or such finished goods (including rejects, waste, scrap, remnants and by-products) other than goods falling under heading/tariff item 8901, 8902 0010, 8905 10 00 or 8906 if imported, are leviable to nil rate of duty of customs specified under First Schedule to the Customs Tariff Act, 1975 and nil additional duty leviable under section 3 of the said Customs Tariff Act, read with exemption notification in this regard, if any, no exemption in respect of inputs utilised for the purpose of manufacture of such finished goods (including rejects, waste, scrap, remnants and by-products) shall be available under this notification:

Provided also that the Software Technology Park (STP) unit and the Electronic Hardware Technology Park (EHTP) unit engaged in manufacture of electronic hardware and software in integrated manner, shall be allowed to sell software, data entry and conversion, data processing, data analysis, control data management or rendering of call centre services through data communication link and or tele-communication link subject to such conditions as may be specified by Commissioner of Customs:

Provided also that goods, which have been repaired, reconditioned, re-engineered shall not be allowed to be sold in the Domestic Tariff Area.

Explanation.- For the purpose of this paragraph, on payment of whole of duty of Customs leviable thereon under the First Schedule to the Customs Tariff Act 1975 availed as exemption, under this notification, on the inputs utilised for the purpose of manufacture of finished goods [other than falling under Fourth Schedule of Central Excise Act, 1944 (1 of 1944)] before clearance of such finished goods (including by-products, rejects, waste and scrap arising in the course of production, manufacture, processing or packaging of such

goods) or services on payment of applicable, Goods and Service Tax leviable thereon, in Domestic Tariff Area or as are in stock at the time of exit, it shall be treated as if no exemption was availed under this notification

4. Without prejudice to any other provision contained in this notification, the said officer may, subject to such conditions and limitations as he may deem fit to impose under the circumstances of the case for the proper safeguard of revenue interest and also subject to such permission of the Development Commissioner, wherever it is specially required under the Foreign Trade Policy, allow the unit to clear any of the said goods for being taken outside the unit, to any other place in India in accordance with the Foreign Trade Policy:

Provided that no such clearance of capital goods under the Export Promotion Capital Goods Scheme of Chapter 5 of the Foreign Trade Policy shall be allowed if the unit has not fulfilled the positive NFE criteria at the time of clearance in terms of Para 6.18 (d) of Foreign Trade Policy.

Provided further that -

(a) such clearance of capital goods may be allowed on payment of duty but for the exemption on the depreciated value thereof as the case may be, if the unit has fulfilled the positive NFE criteria taking into consideration the depreciation allowable on the capital goods at the time of clearance. In case of failure to achieve the said positive NFE, the depreciation shall be allowed on the value of capital goods in the same proportion as the achieved portion of NFE. The depreciation shall be allowed in straight line method as specified below, namely:-

- | | |
|--|-------|
| (i) for computer and computer peripherals: | |
| for every quarter in the first year | @10% |
| for every quarter in the second year | @8% |
| for every quarter in the third year | @5% |
| for every quarter in the fourth and fifth year | @1% |
| (ii) for capital goods other than computer and computer peripherals: | |
| for every quarter in the first year | @4% |
| for every quarter in the second year | @3% |
| for every quarter in the third year | @3% |
| for every quarter in the fourth and fifth year | @2.5% |
| and thereafter for every quarter | @2% |

(b) such clearance of goods (including empty cones, bobbins, containers, suitable for repeated use) other than those specified in clause (a) may be allowed on payment of duty but for the exemption on the value at the time of import;

Provided further that in a case of exit by a unit where positive NFE criteria is fulfilled in terms of Para 6.18 (g) of Foreign Trade Policy, such clearance of goods shall be allowed under Advance Authorization as one time option on payment of applicable duty.

- (c) such clearance or debonding of used packing materials, such as cardboard boxes, polyethylene

bags of a kind unsuitable for repeated use, may be allowed without payment of duty.

Explanation. -

(1) For the purpose of computing rate of depreciation for any part of a quarter, a full such quarter shall be taken into account;

(2) there shall be no upper limit for such depreciation and depreciation upto 100% could be allowed;

(3) the depreciation shall be allowed from the date of commencement of commercial production of the unit or where such goods have been received after such commencement, from the date on which such goods have come into use for commercial production to the date of debonding or clearance, as the case may be.

(4) unit which has not availed any duty benefit on procurement of raw material, capital goods, etc., may be provided fast track de-bonding or exit from the STP or EHTP scheme.

5. Notwithstanding anything contained in this notification, the exemption contained therein shall also apply to silver and gold falling under heading No. 7106 and 7108 respectively, of the First Schedule to the said Customs Tariff Act imported by the nominated agencies for being supplied to the gem and jewellery units under the scheme for export of gold jewellery and articles as specified in the Foreign Trade Policy, read with Chapter 6 of the Handbook of Procedures, Vol. I :

Provided that where silver or gold is imported on behalf of the said unit engaged in manufacture and export of gem and jewellery by the nominated agencies, the exemption shall apply only if-

- (a) the procedure as may be specified by the said officer is followed by such a unit;
- (b) the conditions stipulated in the opening paragraph are complied with by such a unit; and
- (c) the procedure and the conditions as specified in provisions of the Foreign Trade Policy and relevant guidelines issued by Reserve Bank of India, are followed by the nominated agencies.

Provided further that in the event of the unit engaged in manufacture and export of gem and jewellery to whom the silver or gold has been supplied, fails to export the jewellery made out of such silver or gold within the time specified in the Foreign Trade Policy under the respective scheme, the nominated agencies shall deposit duty on the quantity of the silver or gold as the case may be, not contained in the jewellery exported at the rate of duty leviable on the silver or gold as provided in the notification of the Government of India in the Ministry of Finance No. 50/2017-Customs, dated the 30th June 2017 within seven days of the expiry of the period within which the said jewellery manufactured out of the said silver or gold was required to be exported.

6. Notwithstanding anything contained in this notification, the said officer may permit the unit engaged in,-

(a) processing of agriculture products referred to in sub-clause (i) of clause (a) of opening paragraph of this notification to take out goods as specified at Sl. Nos. 18 to 30 in Annexure-I; and

(b) production or manufacture or packaging of articles as specified in clause (b) of opening paragraph of this notification to take out goods as specified at Sl. Nos. 12 to 20 in Annexure-II ,

to the fields and farms of contract farmers of the unit for production or in connection therewith; and to bring back the produce to the unit for exports, in accordance with the provisions of Foreign Trade Policy and Handbook of Procedures, Volume-I and subject to the following conditions:-

- (i) the unit shall produce an agreement between it and contract farmer(s) to the said officer;

(ii) in case of unit other than those which are in existence for less than two years, they shall be required to furnish a bank guarantee equal to the total duty foregone on the goods so transferred to the fields or farms of contract farmers;

(iii) prior to import of the goods, the unit shall apply to the said officer giving the details, such as, number of contract farmers and location of their farms, measurement of the farms or fields under contract farming, input-output norms of production as fixed by Directorate General of Foreign Trade and their projected requirements and after examination of the such projected requirement, the said officer shall give permission for the import or procurement of the same on annual basis;

(iv) in case of failure of the unit to bring back the agriculture or horticulture produce so produced in the fields or farms of contract farmers to the unit, as per the norms notified by the Directorate General of Foreign Trade, within the same season or such extended period as may be permitted by the Commissioner of Customs, as the case may be, due to any reason including natural calamity or loss of crop, the unit shall be required to pay the duty equal to the duty foregone on the inputs so taken out to the fields or farms of the contract farmers;

(v) in respect of goods which has been allowed to be transferred to the fields or farms of the contract farmers, at any point of time as may be decided by the said officer, the unit shall be required to account for the goods so transferred to the fields or farms of the contract farmers;

(vi) in case of non-accountal of goods so transferred or use of the goods in farms or fields other than those declared to the proper officers, the unit shall pay duty foregone on such un-accounted goods along with the interest at the rate as specified in the notification of the Government of India, Ministry of Finance, Department of Revenue issued under section 28 AB of the said Customs Act within 10 days of receipt of demand notice, and in case of failure to pay the same, the said officer, may en-cash the bank guarantee and disallow the duty free procurement under this notification;

(vii) the unit shall be required to have a premises for secure storage of goods procured duty free under this notification and the final products manufactured or produced therefrom and the details of the premises shall be declared to the said officer.

7. The units engaged in the processing or manufacture or production of articles of granite for export as specified in clause (d) of the opening paragraph, may be allowed to take the goods, as specified in Annexure- V, out of the premises to the unit to the granite quarries for the purposes of quarrying of granite subject to the following conditions, namely-

(i) the quarries are in the name of the unit either on lease basis or on ownership basis. The location and area of quarries or any subsequent change in location of quarry or quarries at a later stage shall be intimated by the unit to the Development Commissioner and said officer;

(ii) the goods are used by the unit for the purpose of quarrying of granite meant for further processing or manufacture or production of articles of granite for export by its own export oriented undertaking;

(iii) the unit maintains a proper account of receipt, consumption and utilisation of the said goods and of granite so quarried and transferred to his processing unit or to any other export oriented unit or units in special economic zone, and shall submit such accounts periodically to the Development Commissioner of the Zone and to the said officer, in such form and in such manner as may be laid down by the Development Commissioner or the said officer, as the case may be ;

(iv) the said officer may, subject to such conditions and limitations as he may specify and subject to the provisions of the Foreign Trade Policy, allow –

- (a) the unit to supply granite so quarried to other export oriented undertaking or units in the special economic zone without payment of duty;
- (b) the goods to be taken out temporarily without payment of duty for repairs and return thereof;
- (c) the unit to export the goods;
- (d) destruction of obsolete capital goods without payment of duty, if such goods are destroyed in the presence of the Customs Officer;
- (e) the goods shall not be transferred or shifted to any other site or quarry owned or taken on lease by the unit without permission of the said officer;
- (f) the accounts of the said goods used at the quarrying site shall be kept in the site in a properly constructed office to enable the verification of the same as and when required;
- (g) the goods so quarried shall be removed from the quarry site only for supply to unit's own processing unit or for supply to an other export oriented unit or the unit in the special economic zone engaged in processing or production or manufacture of articles of granite and export thereof and shall not be allowed to be exported as such or to be cleared in Domestic Tariff Area;

8. Without prejudice to other provisions of this notification, where the said officer is satisfied that the unit, which has been permitted by the concerned State Electricity Board in this behalf, has been permitted by Development Commissioner to sell into Domestic Tariff Area or transfer to other export oriented undertaking or Software Technology Park (STP) unit or Electronic Hardware Technology Park (EHTP) unit or a unit in a special economic zone, the surplus power generated in its diesel generating sets or captive power plant subject to fulfilment of such conditions as may be specified by the said officer in this behalf, the said officer may allow the unit, -

- (i) to sell such surplus power in Domestic Tariff Area on payment of an amount equal to the duty leviable on consumables and raw materials but for the exemption of duty thereon, used for generation of each unit of power so sold in the Domestic Tariff Area on the basis of norms approved by the Board of Approval or Inter Ministerial Standing Committee;
- (ii) to transfer such surplus power to other export oriented undertaking or Software Technology Park (STP) unit or Electronic Hardware Technology Park (EHTP) unit or unit in a Special Economic Zone without payment of duty:

Provided that both supplying and receiving unit shall maintain account for the quantity of consumables and raw materials used in generation of each unit of power so transferred as quantified on the basis of norms approved by the Board of Approval or Inter Ministerial Standing Committee, for the purpose of calculation of Net Foreign Exchange Earning.

9. Notwithstanding anything contained in this notification, the exemption contained herein shall also apply to computers and computer peripherals including printer, plotter, scanner, monitor, keyboard and storage unit, when donated by the unit two years after their import or procurement and use by the unit, to –

- (i) a School run by the Central Government or, Government of a State or, a Union territory or, a local body;
- (ii) an Educational Institution run on non-commercial basis by any organization;
- (iii) a Registered Charitable Hospital;
- (iv) a Public Library;
- (v) a Public Funded Research and Development Establishment;
- (vi) a Community Information Centre run by, the Central Government or, Government of a State or, a Union territory or, local body;

(vii) an Adult Education Centre run by the Central Government or, Government of a State or, a Union territory or, a local body, or

(viii) an organisation of the Central Government or, a Government of a State or, a Union territory, subject to the condition that the donee undertakes to observe the procedure prescribed by the Deputy Commissioner of Customs or Assistant Commissioner of Customs having jurisdiction over the donor unit, for transport of the said goods from the donor unit to the premises of the donee and such goods **shall not be used** by the donee **for any commercial purposes**, and **shall not be sold**, disposed of, gifted, loaned, exchanged or parted with, without the permission of the said Deputy Commissioner or Assistant Commissioner of Customs, within a period of **five years from the date of receipt** of the said goods and during the said period of five years, the jurisdictional Deputy Commissioner of Customs or Assistant Commissioner of Customs may inspect those organisations on random basis to ensure that the computers are actually there and have not been diverted or put to unauthorized use:

Provided that where the donee is an organisation but not run by the Central Government, Government of a State or a Union territory or a local body, the donor unit shall furnish a certificate issued by the relevant Department of the Central Government or, the concerned State Government or, the Government of the Union territory, as the case may be, certifying that the said organisation is recognised by the Central Government or the said State Government or the Government of the Union territory and is run on a non-commercial basis”.

10. Notwithstanding anything contained in this notification,-

- (i) the exemption contained herein shall also apply to spares and components, to the extent of 5 percent. of the Free on Board (FOB) value of the manufactured articles exported by the unit during the preceding year for the purpose of supply of such spares and components for after-sale-service of the exported articles to the same consignor or buyer to whom manufactured articles were exported and the said officer is satisfied that the Cost Insurance Freight (CIF) value of such imported spares and components has been included for computation of sum total of all imported goods for arriving at the NFE as required under the Foreign Trade Policy;
- (ii) the exemption contained herein shall also apply to import and supply of promotional materials like brochures, literatures, pamphlets, hoardings, catalogues and posters of products for the purpose of export promotion activities, to the extent of 1.5 (one point five) percent. of the Free on Board (FOB) value of the preceding year's exports;
- (iii) the exemption contained herein shall also apply to goods which are relatable to the articles manufactured by the unit for consolidation into sets alongwith such articles and export thereof (for example, cuff-links imported for exports alongwith shirts manufactured by the unit or a brush imported for packaging with the hair dye manufactured and exported by the unit, etc.), subject to the following conditions, namely:-
 - (a) no such exemption shall apply to gems and jewellery units;
 - (b) the value of goods eligible for exemption shall not exceed 5% of the FOB value of such manufactured articles exported by the unit in the preceding financial year;
 - (c) the list of goods to be imported under this clause shall be approved by the Board of Approval and the unit shall fulfill such conditions as may be specified by the Board of Approval in this behalf; and
 - (d) the goods imported and articles manufactured by the unit shall be listed out separately in the export documents:”;

Provided that the export value of such spares, components, promotional material and goods imported for consolidation shall not be taken into consideration for fulfillment of Net Foreign Exchange Earnings (NFE) and for availing Domestic Sale Entitlement as specified in paragraph 6.8 of the Foreign Trade Policy. The goods imported for consolidation shall not be allowed to be sold in Domestic Tariff Area.

Provided that the value of such spares and consumables shall not be taken into consideration for fulfillment of Net Foreign exchange Earnings (NFE), for availing Domestic Sale Entitlement as specified in paragraph 6.8 of the Foreign Trade Policy.

11. **Nothing contained in this notification shall apply to the goods imported by a service sector export oriented undertaking as specified in clause (a) in the opening paragraph, who does not directly export services out of India.**

11A. Notwithstanding anything contained in this notification, if the said officer is satisfied that the unit engaged in the manufacture of textiles and textile articles has left over textile fabric or textile material, he shall allow such unit to clear such unutilized left over textile fabric or textile material into Domestic Tariff Area on payment of duty leviable at the time of import but for the exemption on transaction value as if the goods have been manufactured in that unit:

Provided that such clearance shall be allowed only where the said officer certifies that the textile fabric or textile material proposed to be cleared are left over and that such clearance do not exceed two percent of the Cost Insurance Freight value or the quantity of imported consignments in the previous year to which such left over textile fabric or textile material relates, whichever is lower.

11B. In the notification, the word "duty" wherever appear shall mean duties of customs as specified in First Schedule to the Customs Tariff Act, 1975 and the additional duty, if any, leviable thereon under sub-sections (1), (3) and (5) and integrated tax and compensation cess, if any, leviable thereon under sub-sections (7) and (9) of Section 3 of the said Act or applicable excise duty, as the case may be, for the purpose of this notification.

12. The notifications of the Government of India in the Ministry of Finance, Department of Revenue, Nos. 3/88-Customs, dated the 14th January 1988 (G.S.R. 31(E), dated the 14th January, 1988), 277/90-Customs, dated the 12th December 1990, (G.S.R. 943(E), dated the 12th December, 1990), 138/91-Customs, dated the 22nd October 1991 (G.S.R. 639(E), dated the 22nd October 1991), 140/91-Customs, dated the 22nd October 1991, (G.S.R. 641(E), dated the 22nd October 1991), 95/93-Customs, dated the 2nd March 1993(G.S.R. 254(E), dated the 2nd March, 1993), 96/93-Customs, dated the 2nd March 1993, (G.S.R. 255(E), dated the 2nd March 1993), 126/94-Customs, dated the 3rd June 1994, (G.S.R. 488(E), dated the 3rd June 1994), 196/94-Customs, dated the 8th December 1994, (G.S.R. 856(E), dated the 8th December 1994), 53/97-Customs, dated the 3rd June, 1997, (G.S.R. 302(E), dated the 3rd June 1997), 47/98-Customs, dated the 16th July, 1998 (G.S.R No. 391(E), dated the 16th July, 1998), and 58/2000-Customs, dated the 8th May, 2000 (G.S.R. 415(E) dated the 8th May, 2000) are hereby rescinded.

13. This notification shall come into force on the 1st day of April, 2003.

Explanation- For the purposes of this notification,-

(i) "Board of Approval" means the authority appointed by the Central Government in exercise of the powers conferred by section 14 of the Industries (Development or Regulation) Act, 1951(65 of 1951) and the

rules made under that Act;

(ii) “ Domestic Tariff Area” means area except special economic zone, export oriented undertakings, Software Technology Park unit and Electronic Hardware Technology Park unit;

(iii) 'Foreign Trade Policy' means Foreign Trade Policy, 2015-2020 notified by the Government of India in the Ministry of Commerce and Industry published in the Gazette of India, Extraordinary, Part-II, Section 3, Sub section (ii), vide notification No. 01/2015-2020 dated the 1st April, 2015.

(iv) “export oriented undertaking” has the same meaning as assigned to “hundred percent. export oriented undertaking” in clause (ii) to the *Explanation* of sub-section (1) of section 3 of the Central Excise Act, 1944 (1 of 1944);

(v) “Electronic Hardware Technology Park (EHTP) unit” means a unit established under and in accordance with the Electronic Hardware Technology Park Scheme notified by the Government of India in the Ministry of Commerce, vide notification No. 5(RE-95)/92-97, dated 30th April, 1995 and approved by the Inter- Ministerial Standing Committee;

(vi) ‘Handbook of Procedures' means Handbook of Procedures notified by the Government of India in the Ministry of Commerce and Industry published in the Gazette of India, Extraordinary, Part-I, Section 1 vide Public Notice No. 01/2015-2020, dated the 1st April, 2015.

(vii) “Inter-Ministerial Standing Committee” means a committee appointed by the Government of India in the Ministry of Industry (Department of Industrial Development) vide notification No. S.O. 117(E), dated the 22nd February, 1993;

(viiia) "merchant exporter" means a person engaged in trading activity and exporting goods.

(viii) 'Nominated agencies' means,-

(1) Metals and Minerals Trading Corporation Limited (MMTC);

(2) Handicraft and Handloom Export Corporation (HHEC);

(3) State Trading Corporation (STC);

(4) Project and Equipment Corporation of India Ltd. (PEC);

(5) STCL Ltd;

(6) MSTC Ltd;

(7) Diamond India Limited (DIL);

(8) Four Star Export House from Gems & Jewellery sector and Five Star Export House from any sector as may be recognised as nominated agencies by Regional Authority in terms of the Foreign Trade Policy;

(9) Any bank as authorised by Reserve Bank of India as Nominated Agency;

(ix) “Software Technology Park (STP) unit” means a unit established under and in accordance with Scheme notified by the Government of India in the Ministry of Commerce and Industry vide notification No. 4(RE-95)/92-95, dated 30th April, 1995 and approved by the Inter- Ministerial Standing Committee;

(x) “special economic zone” has the same meaning as assigned to it in clause (iii) to the *Explanation 2* of sub-section (1) of section 3 of the Central Excise Act, 1944 (1 of 1944);

(xi) 'Status holder' means importer recognised as One Star Export House, Two Star Export House, Three Star Export House, Four Star Export House or as the case may be, Five Star Export House, in terms of the

Foreign Trade Policy;

(xii) "NFE" means Net Foreign Exchange Earnings in terms of Para 6.04 of Foreign Trade Policy and Para 6.10 of Handbook of Procedure and shall be calculated in the manner explained in Annexure to Appendix 6F of Foreign Trade Policy, 2015-20.

(xiii) "SION" means Standard Input Output Norms notified by Director General of Foreign Trade in Handbook of Procedures, 2015-20 approved by Board of Approval.

(xiv) "Norms Committee" means the Norms Committee in the Directorate General of Foreign Trade for recommending Input Output norms and value addition norms to be notified by the Director General of Foreign Trade.

(xv) "Letter of Permission (LoP)" has the same meaning as assigned in Chapter 6 of the Foreign Trade Policy 2015-20 notified by the Government of India in the Ministry of Commerce and Industry, published in the Gazette of India, Extraordinary, Part-II, Section 3, Sub-section (ii) vide notification No. 01/2015-2020, dated the 1 st April, 2015.

ANNEXURE-I

Sr. No	Description of Goods
1.	Capital goods and spares and accessories thereof.
2.	Material handling equipment, namely, fork lifts, over-head cranes, mobile cranes, crawler cranes, hoists and stackers and spares and accessories thereof.
3.	Uninterrupted power supply system (UPS), pollution control equipment, quality assurance equipment, storage systems and parts thereof, special racks for storage and parts thereof, modular furniture and parts thereof, computer furniture and parts thereof, anti-static carpet, tele-conference equipment, servo control system, security system, panels for electrical, net working equipment, data transfer protocol equipment, Central Air Conditioning equipments, air conditioning system and spares, consumables thereof.
4.	Captive power plant including captive generating sets and transformers of capacity commensurate with the actual requirement of the unit and recommended by the Development Commissioner or Designated Officer. (For status holders, there shall be no requirement of recommendation by the Development Commissioner or Designated Officer).
5.	Spares, fuel, lubricants, consumables and accessories for captive power plants including captive generating sets and spares, consumables and accessories for transformers as approved by the Assistant Commissioner.
6.	Office equipments including PABX, Fax machine, Video Projection System, computers, laptop, server, spares and consumables thereof.
7.	Raw materials.
8.	Components.
9.	Consumables .
10.	Packaging materials.
11.	Tools, jigs, gauges, fixtures, moulds, dies, instruments and accessories and spares thereof.
12.	A Prototype or a technical sample for each of the existing products for the purpose of product diversification, development or evaluation;
13.	Drawings, blue prints and charts.
14.	(i) Goods re-imported (other than specified in Annexure-VII to this notification) within three years from the date of exportation, for repair or reconditioning. (ii) Goods re-imported, as specified in Annexure-VII to this notification, within seven years from the date of exportation, for repair or reconditioning.

Provided that such re-imported goods mentioned at (i) and (ii) above are re-exported within one year of the date of re-importation.

15. Goods re-imported within one year from the date of exportation from the unit due to failure of the foreign buyer to take delivery;
Explanation.- For removal of doubts, it is clarified that the goods for which there is failure of the foreign buyer to take delivery shall include goods rejected by the foreign buyer.
- 15A. Goods re-imported within sixty days of close of exhibition for which these goods were exported. In case of exhibition in USA, the time period shall be ninety days.
- 15B. Pharmaceuticals samples in retail packs (repacked from bulk packs exported by the unit) imported for retention or stability in terms of any statutory requirements.
16. Raw materials for making capital goods for use with in the unit for the purpose of production.
17. Any other item required within the unit in relation to production for export of goods or services with the prior approval of the Board of Approval.
18. Crates drums and preservation media (such as acetic acid and vinegar).
19. Grading Tables.
20. Green House equipment, accessories, heated rooting tables, propagation trays, seeding machines.
21. Plant or parts thereof, seeds, saplings, tubers, bulbs, Rhizomes, roots cuttings, all types of grafts, tissue culture material, and other vegetatively propagated material utilized for sowing and planting;
22. Growing media such as Peat Moss (including peat litres) (whether or not agglomerated), Pearlite/ Vermiculite, Rockwool, Cocoa pet, Hydrocorn, Foam based medium and other cultivation medium;
23. Filters.
24. Dripliers, Drip lines and Drip-fitting.
25. Micro Sprinklers and Misters.
26. Agriculture Sprinklers
27. Fertilizer Tanks
28. Valves.
29. Fertilizer Pumps and Chemical Injections.
30. Fertiliser and chemicals for pre and post harvest treatments such as micro nutrients, plant and growth regulations and other organic and inorganic substances used for plant nutrition, insecticides, fungicides, weedicides, herbicides and the like;

ANNEXURE-II

Sl. No. Description of Goods

1. Green House equipment, accessories, heated rooting tables, propagation trays, seeding machines.
2. Growing media such as Peat Moss (including peat litres) (whether or not agglomerated), Pearlite/ Vermiculite, Rockwool, Cocoa pet, Hydrocorn, Foam based medium and other cultivation medium.
3. Office equipments, spares and consumables thereof.
4. Animal feed such as cattle feed and poultry feed.
5. Veterinary medicines including vaccines.
6. Packaging materials including machinery and equipment for packaging.
7. Cooling equipment for cold room, storage room, pro-cooling chambers and its accessories.
8. Sorting equipment, Grading equipment, Packing equipment and temperature control or humidity control equipment.
9. Power generating sets; Refrigeration and air-conditioning equipment for fitment on transport vehicles.
10. Spare parts for the maintenance of goods mentioned at item Nos. 8 to 11 above.

11. High Speed Diesel oil for power generating sets as approved by the Board of Approvals.
12. Plant or parts thereof, seeds, saplings, tubers, bulbs, Rhizomes, roots cuttings, all types of grafts, tissue culture material, and other vegetatively propagated material utilized for sowing and planting.
13. Filters.
14. Dripliers, Drip-lines, and Drip-fitting.
15. Micro Sprinklers and Misters.
16. Agriculture Sprinklers.
17. Fertilizer Tanks.
18. Valves.
19. Fertilizer Pumps and Chemical Injections.
20. Fertilizers and chemicals for pre and post harvest treatments such as micro nutrients, plant and growth regulators and other organic and in-organic substances used for plant nutrition, insecticides, fungicides, weedicides, herbicides, and the like.

ANNEXURE – III

Sl. No. Description of Goods

1. Live animals falling under Chapter 1.
 2. Bird's eggs (fresh) in shells of heading 0407.
 3. Live trees and other plants; bulbs, roots and the like, cut flowers and ornamental foliage.
 4. Fresh vegetables of heading 0701 to 0709; whole uncut sun dried vegetables of heading 0712 and 0713; Fresh and uncut/sun dried roots and tubers of heading 0714.
 5. Fresh and uncut/sun dried edible fruits and nuts of headings 0801 to 0810.
 6. Fresh or sun dried plants and parts of plants of heading 1211.
 7. Silk worm cocoons of heading 5001 and raw silk of heading 5002.
- Note-** In this Annexure "Chapter" and "heading" mean respectively a Chapter and heading in the First Schedule to the Customs Tariff Act, 1975 (51 of 1975).

ANNEXURE-IV

Sl. No. Description of Goods

1. Capital Goods including plant and machinery for packaging, conveyor belts, and accessories, spares and consumables including lubricants therefor for spawning Hatchery, Aqua Farm, Processing Plant, Chilling unit (cold storage) and Feed plant.
2. Material handling equipments, namely, fork-lifts, over-head cranes, mobile cranes, crawler cranes, hoists and stackers and spares, consumables including lubricants therefore.
3. Captive power plant including power generating set as recommended by Development Commissioner and accessories .
4. Tools, Jigs, Gauges, Fixtures, Moulds, Dies, Instruments and accessories.
5. Cold room apparels.
6. Chemicals for water treatment, Zeolite, Teaseed powder/cake, waste digesters, pesticides, fungicides, veterinary medicines including vaccines.
7. Office equipments, spares and consumables thereof.
8. Feed for prawns/fish and other aquatic animals including Artemia (Brain Shrimp eggs) and other Hatchery feeds.
9. Raw materials for feeds for aquatic animals, namely, meals of fish and other aquatic invertebrates like squid/prawns in liquid, powder or other forms, fish lipid oil, squid oil, veterinary grade premix of vitamins/ minerals not suitable for human consumption, sea weed powder, kalp Meal, Molasses, yeast, choline chloride, Antioxidants excluding Vitamins, Licithin, Di-calcium Phosphate and Calcium Lactate which are capable of use in other than veterinary application.

10. Preservatives, pre-mix taste makers, battering materials, special cooking medium, bread crumbs/powder.
11. Packaging materials, all sorts.
12. Catfish-eggs, fries and fingerlings.
13. High Speed Diesel oil for power generating sets as approved by the Board.

ANNEXURE-V**Sl. No. Description of Good**

1. Hydraulic Excavators
2. Pneumatic Compressors
3. Jack Hammers
4. Hydraulic Drilling Machines
5. Line Drillers
6. Front End Loaders
7. Pneumatic Grinders
8. Diamond Wire Saws
9. Dressing Machine
10. Core Drilling Machine
11. Jet Burners
12. Cranes
13. Derricks
14. Tippers and Dumpers
15. Welding Machine
16. Generating sets
17. Steel Chains and Steel Ropes
18. D-Shackles
19. Diamond Wires
20. Diamond Segments
21. Tungsten Carbon Drill Rods
22. Steel Feathers & Wedges
23. Burner Nozzle
24. Welding rods
25. Hydraulic Oil and Lubricants
26. Explosives
27. Chisels, Hammers, Chain Pulley Blocks
28. Steel Pillow Kits
29. Dust Collector
30. Consumables and Tools
31. Spares up to a value of 5% of the value of respective goods specified at Sl.No. 1 to Sl No.29 in each financial year.

ANNEXURE-VI**Sl.No. Description of Goods**

- 1 Capital goods.
- 2 Raw Materials.
- 3 Spares parts of machinery.

- 4 Consumables required for manufacture of goods.
- 5 Components.
- 6 Samples prototype, not exceeding two in number, of each type of articles covered by the manufacturing activity.
- 7 Packaging materials.
8. Tools, jigs, gauges, fixtures, moulds, dies and instruments and accessories.
9. Drawings, blue prints, technical maps and charts relating to the manufacturing activity.
10. Goods re-imported within one year from the date of exportation due to failure of the buyer to take delivery or for re-export after repairs or remaking.
11. Old gold/platinum/silver jewellery for repair or remaking for re-export.
- 12 Office equipments, spares and consumables thereof.

ANNEXURE-VII

S. No	Heading, Sub-heading or Tariff item	Description of goods
(1)	(2)	(3)
1.	8443 31 00	Machines which perform two or more of the functions of printing, copying or facsimile transmission, capable of connecting to an automatic data processing machine or to a network
2.	8471 30, 8471 41, 8471 49 00, 8471 50 00	Automatic data processing machines and units thereof; magnetic or optical readers, machines for transcribing data on to data media in coded form and machines for processing such data, not elsewhere specified or included
3.	8472 90 30	Automatic bank note dispensers
4.	8504 40	Static converters
5.	8517	Telephone sets including telephones for cellular networks or for other wireless networks; other apparatus for the transmission or reception of voice, images or other data, including apparatus for communication in a wired or wireless network (such as a local or wide area networks), other than transmission or reception apparatus of heading 8443, 8525, 8527 or 8528
6.	8518 40 00	Audio – frequency electric amplifiers
7.	8518 50 00	Electric sound amplifier sets
8.	8525	Transmission apparatus for radio-broadcasting or television, whether or not incorporating reception apparatus or sound recording or reproducing apparatus; television cameras, digital cameras and video camera recorders
9.	8526	Radar apparatus, radio navigational aid apparatus and radio remote control apparatus
10.	8528 62 00	Projectors: Capable of directly connecting to and designed for use with an automatic data processing machine of heading 8471
11.	8528 71 00	Reception apparatus for television, whether or not incorporating radio-broadcast receivers or sound or video recording or reproducing apparatus: Not designed to incorporate a video display or screen
12.	8528 72	colour TVs
13.	8531 20 00	Indicator panels incorporating liquid crystal devices (LCD) or light-emitting

- diodes (LED)
14. 9018 11 00 Electro – cardiographs
 15. 9018 12 Ultrasonic scanning apparatus
 16. 9018 13 Magnetic resonance imaging apparatus
 17. 9018 19 10 Electro encephalographs
 18. 9018 19 20 Echo cardiograph
 19. 9021 40 Hearing aids
 20. 9022 Apparatus based on the use of X-rays or of alpha, beta or gamma radiations, whether or not for medical, surgical, dental or veterinary uses, including radiography or radiotherapy apparatus, X-ray tubes and other X-ray generators, high tension generators, control panels and desks, screens, examination or treatment tables, chairs and the like
 21. 9027 Instruments and apparatus for physical or chemical analysis (for example, polarimeter, refractometers, spectrometers, gas or smoke analysis apparatus); instruments and apparatus for measuring or checking viscosity, porosity, expansion, surface tension or the like; instruments and apparatus for measuring or checking quantities of heat, sound or light (including exposure meters); microtomes
 22. 9028 30 Gas, liquid or electricity supply or production meters, including calibrating meters therefor- Electricity meters
 23. 9030 Oscilloscopes, spectrum analysers and other instruments and apparatus for measuring or checking electrical quantities, excluding meters of heading 9028; instruments and apparatus for measuring or detecting alpha, beta, gamma, x-ray, cosmic or other ionizing radiations
 24. 9032 Automatic regulating or controlling instruments and apparatus

