

GENERAL EXEMPTION NO. 54

Exemption from additional duty of customs to goods exempted from customs duty, when imported into India by a hundred percent Export Oriented unit or a unit working in a Free Trade Zone.

[Notfn. No. 5/94-Cus., dt. 18.1.1994 as amended by 84/07].

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 goods falling under the First Schedule to the Customs Tariff Act, 1975 (51 of 1975), when imported into India by a hundred per cent export oriented unit or a unit and when such goods are wholly exempted from the duty of customs specified in the said first Schedule to the Customs Tariff Act, 1975 by virtue of any notification of the Government of India in the Department of Revenue and Banking or in the Ministry of Finance (Department of Revenue), from the whole of the additional duty leviable thereon under section 9A of the said Customs Tariff Act.

Provided that no such exemption shall be applicable to such goods which-

- (a) after importation in the hundred per cent. export oriented unit are cleared as such in the Domestic Tariff Area;
- (b) are used for the purpose of manufacture or processing of finished goods (including rejects, waste, scrap, remnant and by products) in the hundred per cent. export oriented unit and such finished goods (including rejects, waste, scrap, remnant and by products) are cleared in the Domestic Tariff Area.

Explanation- For the purpose of this notification,-

- (i) “hundred per cent. export oriented unit” 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);
- (ii) “Domestic Tariff Area” means India except Special Economic Zone and hundred per cent. export oriented undertakings.

