

GENERAL EXEMPTION NO.10

Material imported into India against Special Value Based Advance Licence for export of readymade garments.

[Notfn. No. 106/95-Cus. dt. 2.6.1995 as amended by Notfn. No. 142/95, 5/96, 27/96, 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 materials imported into India against **Special Value Based Advance Licence** (hereinafter referred as the said licence) for the export of **readymade garments (other than leather garments)** issued under Scheme 'A' contained in Appendix XXII-A of the Handbook of Procedure 1 April 1992 - 31 March 1995, Vol.I (Revised Edition : April, 1995) published in terms of paragraph 53 of the Export and Import Policy by the Government of India in the Ministry of Commerce vide Public Notice No.292/(PN)92-97 dated the 30th April, 1995, from the **whole of the duty of Customs** leviable thereon which is specified in the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) and from 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) Material imported are covered by a Value Based Duty exemption Entitlement Certificate (hereinafter referred to as the said certificate) issued by the Licencing Authority in the form specified in the Schedule annexed to this notification;
- (2) That the importer, at the time of clearance of imported materials,-
 - (a) produces the said licence and the said certificate for debit by the proper officer of the Customs;
 - (b) Omitted.
 - (c) executes a bond with such surety or security and in such form and for such sum as may be specified by the Assistant Commissioner of Customs or Deputy Commissioner of Customs binding himself to pay on demand, an amount equal to the duty leviable on the imported materials but for the exemption contained herein in respect of which the conditions specified in this notification have not been complied with together with interest at the rate of 24% per annum from the date of clearance of the materials.
- (3) that the imports and exports are undertaken through sea ports at Bombay, Calcutta, Cochin, Kandla, Mangalore, Marmagoa, Madras, Nhava Sheva, Paradeep, Tuticorin and Visakhapatnam, or through any of the airports at the Ahmedabad, Bangalore, Bombay, Calcutta, Coimbatore, Delhi, Hyderabad, Jaipur, Madras, Srinagar, Trivandrum and Varanasi or through any of the Inland Container Depots at Bangalore, Coimbatore, Delhi Gauhati, Hyderabad, Kanpur, Ludhiana, Moradabad, Pimpri(Pune) and Pitampur (Indore):

Provided that the Commissioner of Customs may by special order and subject to such conditions as may be specified by him, permit import and export through any other sea port, airport or Inland Container Depot or through a land customs station.

- (4) That export obligation is discharged within the period specified in the said certificate or within such extended period as may be granted by the Licencing Authority by exporting goods manufactured with the use of materials imported in terms of this notification and the importer produces the said certificate together with evidence of discharge of export obligation to the satisfaction of the Assistant Commissioner of Customs within a period of thirty days of the expiry of period allowed for fulfilment of export obligation or within such extended period as the said Assistant Commissioner of Customs or Deputy Commissioner of Customs may allow;

- (5) The exempt materials shall be utilised only for the discharge of export obligation and no part thereof shall be disposed of or utilised in any other manner.

Provided that after discharge of export obligation in full, the exempt materials may be processed by the importer in his own factory for manufacture of any other goods.

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) "Export and Import Policy" means Export and Import Policy 1 April 1992 - 31 March, 1997 (Revised Edition : March, 1995) published vide notification of Government of India in the Ministry of Commerce notification No.1 (RE-95)/92-97 dated the 31st March, 1995.
- (ii) "Licencing authority" means the Director General, Foreign Trade appointed under the Foreign Trade (Development and Regulation) Act, 1992 (22 of 1992) or an officer authorised by him to grant a licence under the said Act,
- (iii) "materials" means -
- (a) fabrics to be actually used in the manufacture of garments to be exported as specified in Part E, under the heading "II. EXPORT", of the said certificate, and
 - (b) Trimmings and embellishments, not exceeding 25% of the value of fabrics actually imported or 20% of the CIF value of licence, whichever is more, namely:-
 1. Buckles, hooks and bars.
 2. Collarstays, Collar patties, butterfly, shoulder pads and other garment stays including plastic stays.
 3. Paper patterns/plastic patterns
 4. Polyester button blanks, polyester buttons, pearl buttons, plastic buttons, chalk buttons, horn buttons, metal buttons.
 5. Lables including woven, printed stickers, stone stickers, self-adhesive metal lables, rubberised lables and woven tapes.
 6. Studs.
 7. Tags, Tag guns, tag gun needles.
 8. Vapoprint transfer papers.
 9. Thermoplastic transfer papers.
 10. Fusible embroidery motifs or prints.
 11. Elastic cloth in running length.
 12. Laces.
 13. Lining and interlining materials.
 14. Sewing thread including all types of embroidery threads.
 15. Elastic tape and webbing (including heat resisting rubber tape) and book

- tapes.
- 16. Polywadding.
- 17. Buttons.
- 18. All types of fasteners including snap fasteners and press fasteners.
- 19. Zip fasteners (slide fasteners).
- 20. Badges including embroidered badges.
- 21. Elastic bands.
- 22. Stones, sequins and beads required for embroidery.
- 23. Quilted wadding.

THE SCHEDULE
VALUE BASED DUTY EXEMPTION ENTITLEMENT CERTIFICATE
SPECIAL SCHEME A FOR READYMADE GARMENTS
(OTHER THAN LEATHER GARMENTS)

I. IMPORT

(This consists of _____ pages)

Sl.No. _____ (IMP)

Date of issue _____

Port of Registration

Issued to _____
_____ (name and full address of the importer.)

Materials imported against Licence No. _____ dated _____ issued by _____
to the above importer and covered by the list of materials specified under part 'C' of this Certificate would be
eligible for exemption from customs duties subject to the conditions specified in the notification of the
Government of India, Ministry of Finance (Department of Revenue) No.106/95-Customs, dated the 2nd June,
1995.

The Importer shall make the exports in terms of the said Notification within _____ months
from the date of issue of the said licence.

A bond in terms of the said notification shall be executed before clearance of the goods from the
customs.

Signature
Seal of licensing authority
Date _____

PART - A

Names and addresses of the factories where the resultant products for export are manufactured.

PART - B

Names and addresses of factories where the ancillaries to the resultant products for export are manufactured.

PART - C
LIST OF ITEMS OF IMPORT

Sl.No.	Item of Import	Quality	Technical Characteristics
1	2	3	4

Quantity	CIF Value in Indian Rs. and equivalent US \$	S.No. of the resultant products in Part E
5	6	7

Total Value =

PART - D
PARTICULARS OF IMPORT OF MATERIALS

Sl.No.	No. of the materials in part - C	Bill of Entry No. date and Custom House of Import	Description.	Quantity and Net weight
1	2	3	4	5

CIF Value	Duty leviable but for exemption		Amount of duty
	Heading No. of the First Schedule to the Customs Tariff Act, 1975 and Heading No. in the Schedule to the Central Excise Tariff Act, 1985 for levy of Additional duty	Rate of duty (i) Basic (ii) Additional.	
6	7	8	9

Signature of the Customs Officer
with Name, Designation and Seal.

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(Part E & F figure in the Export Part of this DEEC)

PART - G

GENERAL EXEMPTION NO. 10

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Duties paid on Materials in respect of which the condition of said notification are not complied with

Sl.No.	Sl.No. in part D under which the import of the materials has been entered	Description, Quantity and value of Materials on which duty paid.	Rate of Duty leviable (i) Basic (ii) Additional
1	2	3	4

Amount of (i) Duty (ii) Interest	Particulars of duty paying documents	Signature of the Customs Officer
5	6	7

II. EXPORT

(This consists of _____ pages)

Sl.No. _____ (EXP)

Date of Issue _____

Port of Registration _____

Issued to

(Name and full address of the importer)

Material imported against Licence No. _____ dated _____ issued by _____ to the above importer and covered by the list of materials specified under part 'C' of this Certificate would be eligible for exemption from customs duties subject to the conditions specified in the notification of the Government of India, Ministry of Finance (Department of Revenue) No.106/95-Customs, dated the 2nd June, 1995.

The Importer shall make the exports in terms of the said Notification within _____ months from the date of issue of the said licence.

A Bond in terms of the said notification shall be executed before clearance of the goods from the customs.

Signature

Seal of licensing authority

Date _____

PART - A

Names and addresses of the factories where the resultant products for export are manufactured.

PART - B

Names and addresses of factories where the ancillaries to the resultant products for export are manufactured.

(Part C and D figure in the Import Part in this DEEC)

**PART-E
RESULTANT PRODUCTS**

Sl.No.	Description	Quality	Technical Characteristics	Quantity
1	2	3	4	5
FOB Value in Rs./US\$			S.No. of the materials in Part C	
6			7	

**PART - F
PARTICULARS OF EXPORTS**

Sl.No.	Sl.No. of the resultant product in part E	Name of the Custom House of Shipment	Shipping Bill No. & Date	Name of the Vessel and outward entry of the vessel
1	2	3	4	5
Quantity	Net weight of the export product	Description as per the Shipping Bill	FOB Value in Rs./US\$	Signature of Customs Officer with name, designation and seal & remarks if any
6	7	8	9	10

PART - H

Statement of Imports and Exports made

Type of Licence _____ Licence No. _____ Date _____

Details of Imports made

Sl.No.	Sl.No. of Part C	Description	Quantity Imported	F.O.B. Value In Rs./In equivalent US \$
1	2	3	4	5

Details of Exports made

Sl.No.	Sl.No. in Part E	Description	Quantity Exported	F.O.B. Value In Rs./In equivalent US \$
1	2	3	4	5

1. I/We hereby declare that the information given in this statement is correct.
2. Export goods were manufactured using materials imported under this certificate.
3. Duties on materials not used, in the export product have been paid as per details in Part G.

Signature _____
 Name of the signatory _____
 Designation _____
 Full Address _____

Certificate by Chartered Accountant/Cost Accountant

I have examined the applicant firm's actual imports and exports as given above and find them as correct.

Signature _____
 Seal _____
 Membership No. _____

