

## GENERAL EXEMPTION NO. 12

**Material Imported against a Value Based Advance Licence, issued on or after 19th September, 1995.**

[Notfn. No. 148/95-Cus., dt. 19.9.1995 as amended by Notfn. Nos. 29/96, 92/97, 51/99, 121/99, 120/00, 30/01, 122/01, 113/02, 125/02, 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 a **Value based Advance Licence** (hereinafter referred to as the said licence) applied for and **issued on or after 19th September, 1995** in terms of paragraph 49 of the Export and Import Policy 1992-1997, with an obligation to export products specified in the Table annexed to this notification, from the **whole of the duty of customs** leviable therein 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:-

- (i) that the materials imported are covered by a Value based Duty Exemption Entitlement Certificate (hereinafter referred to as the said certificate) issued by the Licensing Authority in the form specified in the Schedule annexed to this notification;
- (ii) that the importer at the time of clearance of the imported materials 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 but for the exemption on the imported materials in respect of which the conditions specified in this notification have not been complied with, together with interest at the rate of fifteen per cent per annum from the date of clearance of the said materials.

*(As per Sec.120(1) of Finance Bill, 2003, the rate of fifteen per cent is applicable w.e.f. 19.9.1995)*

Provided that the bond shall not be necessary in respect of imports made after discharge of export obligation in full;

- (iii) that the said licence and the said certificate are produced before the proper officer of customs at the time of clearance for debit;
- (iv) that the imports and exports are undertaken through the sea ports at Mumbai, Calcutta, Cochin, Magdalla, Kakinada, Kandla, Mangalore, Mormagoa, Madras, Nhava Sheva, Paradeep, Pipavav, Sikka, Tuticorin, Visakhapatnam, Dahej, Nagapattinam, Okha and Mundra or through any of the airports at Ahmedabad, Bangalore, Bhubaneswar, Mumbai, Calcutta, Coimbatore, Delhi, Hyderabad, Jaipur, Madras, Srinagar, Trivandrum, Varanasi, Nagpur and Cochin or through any of the Inland Container Depots at Agra, Bangalore, Coimbatore, Delhi, Faridabad, Gauhati, Guntur, Hyderabad, Jaipur, Jalandhar, Kanpur, Ludhiana, Moradabad, Nagpur, Pimpri (Pune), Pitampur (Indore), Surat, Tirupur, Varanasi, Nasik, Rudrapur (Nainital), Dighi (Pune), Vadodara, Daulatabad (Wanjarwadi and Maliwada), Waluj (Aurangabad), Anaparthi (Andhra Pradesh), Salem, Malanpur, Singanalur, Jodhpur, Kota, Udaipur, Ahmedabad, Bhiwadi, Madurai, Bhilwada, Pondicherry and Gari Harsaru or through the Land Customs Station at Ranaghat, Singhabad and Raxaul.

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 Seaport, Airport, or Inland Container Depot or through a Land Customs Station.

- (v) that the 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 products manufactured in India

which are specified in Part 'E' of the said certificate and also specified in the Table annexed to this notification (hereinafter referred to as export product) and in respect of which,-

(a) facility under \*rule 18 or rule 19 of the Central Excise (No.2) Rules, 2001 of the said rules has not been availed; and

(b) drawback has not been claimed either under section 74 of the Customs Act, 1962 (52 of 1962) or the Customs and Central Excise Duties Drawback Rules, 1995;

(vi) that the importer produces evidence of discharge of export obligation to the satisfaction of the Assistant Commissioner of Customs or Deputy Commissioner of Customs within a period of 30 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;

(vii) exempt materials shall not be disposed of or utilised in any manner, except for utilisation in discharge of export obligation, or for replenishment of such materials and the materials so replenished shall not be sold or transferred to any other person.

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 1992-97" means the 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)/92-97, dated the 31st March, 1992, as amended from time to time.

(ii) "Licensing Authority" means the Director General of Foreign Trade appointed under section 6 of the Foreign Trade (Development and Regulation) Act, 1992 (22 of 1992) or an officer authorised by him to grant a licence under the said Act;

(iii) "Materials" means -

(a) raw materials, components, intermediates, consumables, computer software and parts required for manufacture of export product, and

(b) packaging materials required for packing of export product.

*\*Corrigendum vide F.No.605/187/2001-DBK dt.22.10.2001.*

#### TABLE

Sr. No.	Export product
1.	Leather garments
2.	Textile garments including knitwear.

#### THE SCHEDULE

#### VALUED BASED DUTY EXEMPTION ENTITLEMENT CERTIFICATE

#### PART - 1 (IMPORT)

(This consists of \_\_\_\_\_ pages)

Serial No. \_\_\_\_\_ (IMP)

Date of issue \_\_\_\_\_

Port of registration: \_\_\_\_\_

Issued to

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ (name and full address of the licensee)

Materials imported against Advance Licence No. \_\_\_\_\_ dated the \_\_\_\_\_ 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.148/95-Customs dated the 19th September, 1995.

The importer shall make the exports in terms of the said notification within ..... months from the date of issue of licence.

A bond in terms of the said notification shall be executed before clearances 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 exports are manufactured.**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**PART B**

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

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**PART C**

**LIST OF ITEMS OF IMPORT**

Sl.No.	Item of Import	Quality	Technical characteristics	Quantity	CIF Value in Indian Rs. & in equivalent US \$	S.No. of the resultant products in Part E
1	2	3	4	5	6	7

\_\_\_\_\_  
\_\_\_\_\_

Total CIF Value Rs.....

**PART D**  
**PARTICULARS OF IMPORT OF MATERIALS**

S.No.	No. of the materials in Part C	Bill of Entry No. date and Customs House of import	Description and net weight	Quantity	CIF Value
1	2	3	4	5	6

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.	<u>Duty leviable but for exemption</u>		Signature of the Customs Officer with Name, Designation and Seal
	Rate of duty	Amount of duty	
	(i) Basic (ii) Additional		
7	8	9	10

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

**PART G**

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

S.No.	S.No. in Part D under which the import of the materials has been entered	Description Quantity and Value of materials on which duty has been paid	Rate of duty leviable i) Basic ii) Additional	Amount of i) duty ii) Interest	Particulars of duty paying documents	Signature of the Customs Officer
1	2	3	4	5	6	7

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**VALUE BASED DUTY EXEMPTION ENTITLEMENT CERTIFICATE**

**PART-2  
(EXPORT)**

(This consists of .....pages)

Sl.No..... (EXP)

Date of issue .....

Port of Registration .....

Issued to

.....  
.....

(name and full address of the licensee)

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 custom duties subject to the conditions specified in the notification of the Government of India, Ministry of Finance, Department of Revenue No. 148/95-Customs, dated the 19th September, 1995.

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

A Bond in terms of the said Notification, shall be executed before clearances 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**

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**PART - B**

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

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**(Part C and D figures in the Import Part of this DEEC)**

**PART - E****RESULTANT PRODUCTS**

Sl.No.	Description	Sr.No. in Table to Notification No. 148/95-Customs	Quality	Technical Characteristics
1	2	3	4	5
Quantity		FOB Value in Rs./US\$	S.No. of the materials in Part-C	
6		7	8	

**PART - F****PARTICULARS OF EXPORTS**

Sl.No.	Sl.No. of the resultant product of the in Part E	Name of the Customs House of Shipment	Shipping Bill No. and 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**

Details of Imports Made

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Sl.No.	Sl.No. of part C	Description	Quantity Imported	C.I.F. Value In Rs./In Equivalent US \$
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1	2	3	4	5
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**Details of Exports Made**

Sl.No.	Sl.No. in part E	Description	Quantity Exported	F.O.B. Value In Rs./In Equivalent US \$
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1	2	3	4	5
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1.. I/We hereby declare that information given in this statement is correct.

2. I/We hereby declare that no benefit under rule 12(1)(b)/13(1)(b) of the Central Excise Rules, 1944 has been availed in respect of exports made under DEEC.

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.

