

GENERAL EXEMPTION 209**Exemption to goods described in Schedule I and specified in Schedule II:
[Notifn. No.10/14-Cus., dt. 12.5.2014 as amended by 43/17]**

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 the goods described in Schedule I annexed hereto, when imported into India for display or use at any event specified in Schedule II 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 integrated tax leviable thereon under sub-section (7) of section 3 of the said Customs Tariff Act, subject to the conditions that, -

- (1) the event specified in Schedule II annexed hereto is being held in public interest and is sponsored or approved by the Government of India or the India Trade Promotion Organisation;
- (2) the said goods are imported under an FICCI/TAITRA Carnet (hereinafter referred to as the Carnet) issued in accordance with the Agreement between the India-Taipei Association in Taipei and the Taipei Economic and Cultural Center in India on the FICCI/TAITRA Carnet for the Temporary Admission of Goods signed on 20th March, 2013 and reproduced in Schedule III annexed hereto and the Carnet is guaranteed by the Federation of Indian Chamber of Commerce and Industry in India (hereinafter referred to as FICCI);
- (3) the said goods in all respects conform to the description, quantity, quality, value and other specifications given in the Carnet duly certified by the Customs authorities in the territory of exportation;
- (4) the said goods shall be exported within a period of six months from the date of importation:

Provided that where the goods are exported within the said period of six months and again re-imported, the period of six months shall be computed from the date of its first importation:

Provided further that when the Deputy Commissioner of Customs or Assistant Commissioner of Customs is satisfied that it is necessary in the public interest so to do, he may extend the said period of six months by a further period not exceeding six months;

- (5) in the event of failure to export the goods within the period specified in condition (4), the customs duty leviable on the goods as on the date of clearance shall be paid by FICCI:

Provided that FICCI shall not be liable to pay the customs duty in cases where the said goods are sold in exhibitions or fairs or otherwise disposed of in India in accordance with any law for the time being in force applicable to such goods and on payment of the duties of Customs which are payable in respect of such goods.

2. Nothing contained in this notification shall apply to goods imported through the medium of post.
3. This notification shall come into force on the date of its publication in the Official Gazette.

SCHEDULE -I

- (a) Goods intended for display or demonstration;
- (b) Goods intended for use in connection with the display of foreign products, including -
 - (i) goods necessary for the purpose of demonstrating machinery or apparatus to be displayed;
 - (ii) construction and decoration material including electrical fittings, for the temporary stands of foreign exhibitors;
 - (iii) advertising and demonstration materials which are demonstrably publicity material for the goods displayed, for example, sound recording, films and lanterns, slides and apparatus for use therewith;
 - (iv) equipment including interpretation, apparatus, sound recording apparatus and films of an educational, scientific or cultural character intended for use at international meetings conferences or congresses.

SCHEDULE II

EVENTS

- (a) Trade, industrial, agricultural or crafts exhibition, fair, or similar show or display;
- (b) Exhibition or meeting which is primarily organised for a charitable purpose;
- (c) Exhibition or meeting which is primarily organised to promote any branch of learning, art, craft, sport or scientific, educational or cultural activity to promote friendship between people, or to promote religious knowledge or worship;
- (d) Meeting of representatives of any international group of organisations;
- (e) Representative meeting of an official of commemorative character.

Explanation:- The events specified in this Schedule do not include exhibitions organised for private purposes in shops or business premises with a view to promote the sale of foreign goods.

SCHEDULE-III

AGREEMENT BETWEEN THE INDIA-TAIPEI ASSOCIATION IN TAIPEI AND THE TAIPEI ECONOMIC AND CULTURAL CENTER IN INDIA ON THE FICCI/TAITRA CARNET FOR THE TEMPORARY ADMISSION OF GOODS

PREAMBLE

The India-Taipei Association in Taipei and the Taipei Economic and Cultural Center in India (hereinafter referred to as “the Contracting Parties”),
Having in mind the facilitation of the procedures for the temporary duty-free importation of goods from each others’ territories,
Convinced that the adoption of common procedures for the temporary duty-free importation of goods would afford considerable advantages to the common commercial and cultural activities of the Contracting Parties,
Have agreed as follows:

CHAPTER I
DEFINITIONS AND APPROVAL

Article 1

For the purpose of the present Agreement and the Annex hereto, the term:

- (a) “import duties” means Customs duties and all other duties and taxes payable on or in connection with importation and shall include all internal taxes and excise duties chargeable on imported goods, but shall not include fees and charges which are limited in amount to the approximate cost of services rendered and do not represent an indirect protection to domestic products or a taxation of imports for fiscal purposes;
- (b) “temporary admission” means temporary importation free of import duties in accordance with the provisions of Article 3 of the present Agreement or by the laws and regulations in effect in the territory of importation;
- (c) “transit” means the conveyance of goods from a Customs office to another Customs office within the same territory, in accordance with the conditions laid down in the laws and regulations in effect in the respective Customs Administration;
- (d) “FICCI/TAITRA Carnets” means the document reproduced as the Annex to the present Agreement;
- (e) “Issuing Association” means Federation of Indian Chambers of Commerce & Industry (FICCI) for India-Taipei Association in Taipei and Taiwan External Trade Development Council (TAITRA) for Taipei Economic and Cultural Center in India approved for the issue of FICCI/TAITRA Carnets;
- (f) “Guaranteeing Association” means FICCI for India-Taipei Association in Taipei and TAITRA for Taipei Economic and Cultural Center in India approved to guarantee the sums referred to in Article 6 of this Agreement;
- (g) “person” means natural or legal persons, unless the context otherwise requires;
- (h) “Customs Administration/authorities” means the Central Board of Excise and Customs, Department of Revenue, Ministry of Finance, New Delhi, or the Customs Administration, Ministry of Finance, Taipei, as the case may be.

Article 2

The approval of an Issuing Association may be subject, in particular, to the condition that the price of FICCI/TAITRA Carnets shall be commensurate with the cost of services rendered.

CHAPTER II
SCOPE

Article 3

Customs Administration in the territory of each Contracting Party may accept FICCI/TAITRA Carnets valid for its territory and issued in accordance with the conditions laid down in the present Agreement, in lieu of its Customs documents and as due security for the sums referred in Article 6 of the present Agreement, for temporary importation of goods for display or use at exhibitions, international fairs, meetings or similar events as per the laws in force in its territory.

**CHAPTER III
ISSUE AND USE OF FICCI/TAITRA CARNETS**

Article 4

(1) Issuing Associations shall not issue FICCI/TAITRA Carnets with a period of validity exceeding one year from the date of issue. They shall indicate on the cover of the FICCI/TAITRA Carnet the territory in which it is valid and the names and the addresses of the corresponding Guaranteeing Associations.

(2) Once a FICCI/TAITRA Carnet has been issued, no extra item shall be added to the list of goods enumerated on the reverse of the front cover of the Carnet, or on any continuation sheets annexed thereto (General List).

Article 5

The period fixed for the re-exportation of goods imported under cover of a FICCI/TAITRA Carnet shall not in any case exceed the period of validity of that Carnet.

**CHAPTER IV
GUARANTEE**

Article 6

(1) Each Guaranteeing Association shall undertake to pay to the Customs authorities of the territory in which it is established the amount of the import duties and any other sums payable in the event of non-compliance with the conditions of temporary admission, or of transit, in respect of goods introduced into that territory under cover of FICCI/TAITRA Carnet issued by a corresponding Issuing Association. It shall be liable jointly and severally with the persons by whom the sums mentioned above are due, for payment of such sums without demur or protest.

(2) The liability of the Guaranteeing Association shall not exceed the amount of the import duties by more than ten percent.

(3) When the Customs authorities of the territory of importation have unconditionally discharged a FICCI/TAITRA Carnet in respect of certain goods, they can no longer claim from the Guaranteeing Association payment of the sums referred to in paragraph (1) of this Article in respect of these goods. A claim may nevertheless still be made against the Guaranteeing Association if it is subsequently discovered that the discharge of the Carnet was obtained improperly or fraudulently or that there had been a breach of the conditions of temporary admission or of transit.

(4) Customs authorities shall not in any circumstances require from the Guaranteeing Association payment of the sums referred to in paragraph (1) of this Article if a claim has not been made against the Guaranteeing Association within a year of the date of expiry of the validity of the Carnet.

**CHAPTER V
REGULARIZATION OF FICCI/TAITRA CARNETS**

Article 7

(1) The Guaranteeing Association shall have a period of six months from the date of the claim made by the Customs authorities for the sums referred to in paragraph (1) of Article 6 of the present Agreement in which to furnish proof of the re-exportation of the goods under the conditions laid down in the present Agreement or of any other proper discharge of the FICCI/TAITRA Carnet.

(2) If such proof is not furnished within the time allowed, the Guaranteeing Association shall forthwith deposit, or pay provisionally, such sums. This deposit or payment shall become final after a period of three months from the date of the deposit or payment. During the latter period the Guaranteeing Association may

still furnish the proof referred to in the preceding paragraph with a view to recovery of the sums deposited or paid.

(3) If the laws and regulations of the territory concerned do not provide for the deposit or provisional payment of import duties, payments made in conformity with the provisions of the preceding paragraph shall be regarded as final, but the sums paid shall be refunded if the proof referred to in paragraph (1) of this Article is furnished within three months of the date of the payment.

Article 8

(1) Evidence of re-exportation of goods imported under cover of a FICCI/TAITRA Carnet shall be provided by the re-exportation certificate completed in that Carnet by the Customs authorities of the territory into which the goods were temporarily imported.

(2) If the re-exportation of goods has not been certified in accordance with paragraph (1) of this Article, the Customs authorities of the territory of importation may, even if the period of validity of the Carnet has already expired, accept as evidence of re-exportation of the goods:

(a) the particulars entered by the Customs authorities on a voucher which has been detached from the Carnet on re-importation into the exporting territory, provided that the particulars relate to an importation which can be proved to have taken place after the re-exportation which it is intended to establish;

(b) any other documentary proof that the goods are outside that territory.

(3) In any other case in which the Customs authorities of the territory of temporary importation waive the requirement of re-exportation of certain goods admitted into their territory under cover of a FICCI/TAITRA Carnet, the Guaranteeing Association shall be discharged from its obligations only when those authorities have certified in the Carnet that the position regarding those goods has been regularized.

Article 9

In the cases referred to in paragraph (2) of Article 8 of the present Agreement, the Customs authorities shall have the right to charge a regularization fee.

**CHAPTER VI
MISCELLANEOUS PROVISIONS****Article 10**

Customs certificate on FICCI/TAITRA Carnets used under the conditions laid down in the present Agreement shall not be subject to the payment of charges for Customs attendance at Customs offices and posts during the normal hours of business.

Article 11

In the case of the destruction, loss or theft of a FICCI/TAITRA Carnet while the goods to which it refers have been exported to the territory of either Contracting Party, the Customs authorities in the territory of that Contracting Party shall, at the request of the Issuing Association and subject to such conditions as those authorities may prescribe, accept a replacement document, the validity of which expires on the same date as that of the Carnet which it replaces.

Article 12

(1) When goods temporarily imported cannot be re-exported as a result of a seizure, other than a seizure made at the suit of private persons, the requirement of re-exportation shall be suspended for the duration of the seizure.

(2) The Customs authorities shall, so far as possible, notify the Guaranteeing Association of seizures of

goods admitted under cover of FICCI/TAITRA Carnets guaranteed by that Association and shall advise it of the measures they intend to take.

Article 13

FICCI/TAITRA Carnet or parts of FICCI/TAITRA Carnets intended to be issued in the territory into which they are imported and which are sent to an Issuing Association by a corresponding foreign association, by an international organization or by the Customs authorities of the territory of a Contracting Party, shall be admitted free of import duties and free of any import prohibitions or restrictions. Corresponding facilities shall be granted at exportation.

Article 14

For the purposes of the present Agreement, "territory" means the territory in which the Customs laws are administered by the respective Customs Administration/authorities.

Article 15

In the event of fraud, contravention or abuse, the Customs authorities of the Contracting Parties shall, notwithstanding the provisions of the present Agreement, be free to take proceedings against persons using FICCI/TAITRA Carnets, for the recovery of the import duties and other sums payable and also for the imposition of any penalties to which such persons have rendered themselves liable. In such cases, the Associations shall lend their assistance to the Customs authorities.

Article 16

The Annex to the present Agreement shall be construed to be an integral part of this Agreement.

Article 17

The provisions of the present Agreement set out the minimum ones to be accorded and do not prevent adding more provisions when necessary to facilitate the implementation of the FICCI/TAITRA Carnet system.

CHAPTER VII FINAL PROVISIONS

Article 18

A Protocol based on the principles of this Agreement shall be made between the Guaranteeing Associations of the Contracting Parties to prescribe their rights and obligations.

Article 19

(1) The Contracting Parties shall meet as and when necessary in order to consider the operation of the present Agreement and in particular in order to consider measures to secure uniformity in the interpretation and application of the present Agreement.

(2) The Contracting Parties shall lay down the rules of procedure for their meetings.

(3) The present Agreement may, at the request of either Contracting Party, be revised by mutual consent.

Article 20

Any dispute between the Contracting Parties concerning the interpretation or application of the present Agreement shall be settled by negotiation between them.

Article 21

(1) This Agreement shall come into force from the first day of the next month after the Contracting Parties have notified each other in writing that the necessary legal requirements for entry into force of this Agreement have been fulfilled and shall remain in force until the expiry of 90 days from the date on which either of the Contracting Parties shall have given the other Contracting Party notice in writing of its intention to terminate this Agreement.

(2) Any revision of this Agreement, or the termination thereof, shall be effected without any prejudice to any rights or obligations accruing or accrued under this Agreement prior to the effective date of such revision or termination.

(3) In witness whereof, the undersigned, being duly authorized for this purpose, have signed the present Agreement.

DONE at New Delhi, this 20th day of March, 2013 in two Originals, each in the Hindi, Chinese and English languages, all texts being equally authentic. In case of divergence of interpretation, the English text shall prevail.

**FOR INDIA-TAIPEI
ASSOCIATION IN TAIPEI**

**FOR TAIPEI ECONOMIC AND
CULTURAL CENTER IN INDIA**

Sd/-

Sd/-

**(Pradeep Kumar Rawat)
Director General**

**(Chung-Kwang Tien)
Representative**

