

GENERAL EXEMPTION NO. 32

Exemption to specified goods imported under Duty Free Replenishment Certificate (DFRC) Licence: [Notfn. No. 46/02-Cus. dt. 22.4.2002 as amended by Notfn. No. 125/02, 57/03, 84/03, 97/03, 29/04, 63/04, 46/05, 77/05, 97/05, 41/06, 63/07, 116/07, 63/08, 19/09]

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 when imported into India, from the **whole of the duty of customs** leviable thereon, under the First Schedule to the Customs Tariff Act, 1975 (51 of 1975), and from the **whole of the Special Additional Duty** leviable thereon under section 3A, of the said Customs Tariff Act, subject to the following conditions, namely:—

- (i) that the importer has been granted **duty free replenishment certificate licence or duty free replenishment certificate licence for intermediate supply**, as the case may be, by the Licensing Authority, for import of the said materials in terms of paragraph 4.2 of the Export and Import Policy (hereinafter referred to as the said licence) and the said licence is produced at the time of clearance for debit by the proper officer of the customs;
- (ii) the said licence contains the endorsements specifying, *inter alia*;
 - (a) the Standard Input Output Norm (SION) number, description and value of the resultant product exported on the reverse;
 - (b) the shipping bill number(s) and date(s) and FOB value in Indian Rupees of the resultant product or excise certified invoice number(s) and date(s) with value in Indian Rupees in the case of supplies made under deemed export scheme in terms of paragraph 8.2 of the Export and Import Policy on the reverse; and
 - (c) the description, value and quantity of the materials which are allowed to be imported:

Provided that in respect of resultant products specified in the Sensitive List contained in paragraph 4.31 of the Hand Book of Procedure (Vol. 1) of the Export and Import Policy, the materials permitted in the said licence shall be of the same quality, technical characteristics and specifications as the materials used in the said resultant product:

Provided further that in respect of said resultant products the exporter shall give declaration with regard to technical characteristics, quality and specification of materials used in the shipping bill;

- (iii) that the said licence and / or materials shall be freely transferable;

Provided that fuel imported against the said licence shall not be transferred or sold.

- (iv) that the imports and exports are undertaken through sea ports at Mumbai, Kolkata, Cochin, Magdalla, Kakinada, Kandla, Mangalore, Marmagoa, Madras, Nhava Sheva, Paradeep, Pipavav, Sikka, Tuticorin, Visakhapatnam, Dahej, Nagapattinam, Mundhra, Okha, Bedi (including Rozi-Jamnagar), Muldwarka, Porbander, Dharamtar, Vadimar and Haldia (Halida Dock Complex of Kolkata Port) and Krishnapatnam or through any of the airports at Ahmedabad, Bangalore, Bhubaneswar, Mumbai, Kolkata, Coimbatore, Delhi, Hyderabad, Jaipur, Madras, Srinagar, Trivandrum, Varanasi, Nagpur, Cochin, Rajasansi (Amritsar), Lucknow (Amausi), Indore and Dabolim (Goa) 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), Malanpur, Waluj (Aurangabad), Anaparthi (Andhra Pradesh), Salem, Singanalur, Jodhpur, Kota, Udaipur, Ahmedabad, Bhiwadi, Madurai, Bhilwara, Pondicherry, Garhi Harsaru, Bhatinda, Dappar (Dera Bassi), Chheharata (Amritsar), Karur, Miraj, Rewari, Bhusawal, Jamshedpur, Surajpur, Dadri, Tuticorin, Kundli, Bhadohi, Raipur, Mandideep (District Raisen), Durgapur (Export Promotion Industrial Park) Babarpur and Loni (District Gaziabad) or through the Land Customs Stations at Ranaghat, Singhabad, Raxaul, Jogbani, Nautanva (Sonauli), Petrapole, Mahadipur, Nepalganj Road, Dawki, Agartala, Sutarkhandi, Amritsar Rail Cargo, Attari Road, Hilli, Ghojadanga and Changrabandha or Special Economic Zone as specified in the notification issued under section 76A of the Customs Act, 1962 (52 of 1962).

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 from any other seaport, airport or inland container depot or through a land customs station.

Provided further that in case of supplies made under deemed export scheme in terms of paragraph 8.2 of the Export and Import Policy, import of materials may be permitted from any of the seaports, airports, inland container depots or land customs stations specified in this condition.

Explanation. – In this notification, -

- (i) “Export and Import Policy”, means Export and Import Policy 2002-2007, notified by the Government of India in the Ministry of Commerce vide notification No. 1/2002-2007, dated the 31st March, 2002;
- (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 and parts used in the manufacture of resultant product;
 - (b) packing materials used in the packaging of resultant product.
 - (c) fuel

