

GENERAL EXEMPTION NO. 8

Exemption to the materials when imported into India, covered by a Value Based Duty Exemption Entitlement Certificate, issued by the Licensing Authority on or after 1st April, 1995. -

[Notfn. No. 79/95-Cus. dt. 31.3.1995 as amended by Notfn. Nos. 147/95, 24/96, 90/97,49/99,121/99, 120/00, 30/01, 122/01,113/02, 125/02, 46/13]

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) **issued on or after 1st April, 1995** in terms of paragraph 49 of the Export and Import Policy 1 April 1992 - 31 March, 1997, 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) 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 on or after 1st April, 1995 in the form specified in the Schedule annexed to this notification in respect of the value, description, quality and technical characteristics;
- (ii) that the said licence and the said certificate are produced before the proper officer of customs at the time of clearance for debit;
- (iii) that the importer at the time of clearance of the imported materials -
 - (a) Omitted
 - (b) 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 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 15% per annum from the date of clearance of the imported materials.

(As per Sec.120(1) of Finance Bill 2003, the rate of 15% is 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:

- (iv) that the imports and exports are undertaken through the sea ports at Mumbai, Calcutta, Cochin, Magdalla, Kakinada, Kandla, Mangalore, Mormgoa, Madras, Nhava Sheva, Paradeep, Pipavav, Sikka, Tuticorin, Visakhapatnam, Dahej, Nagapattinam, Okha and Mundra or through any of the airports at Ahmedabad, Bangalore, Bhubaneshwar, 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, Bhilwara, Pondicherry and Garhi, 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 Licensing Authority, by exporting goods manufactured in India and the importer produces the said certificate together with 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 may allow;

(vi) exempt materials shall not be disposed of or utilized in any manner, except for utilisation in discharge of export obligation, before the export obligation under the said licence has been discharged in full;

Provided that the Acetic Anhydride, Ephedrine and Pseudoephedrine Vitamins, Pen-G and their derivatives in respect of which the benefit of this notification is claimed shall be utilised by the importer in his own factory or in the factory of any other manufacturer indicated in the said certificate even after discharge of export obligation:

(vii) where benefit of the notification is sought by a person other than the licensee, such benefit shall be allowed against the said licence and the said certificate only if it bears endorsement of transferrability by the Licensing Authority.

Provided that benefit of this notification shall not be allowed to a transferee of licence for import of Acetic Anhydride, Ephedrine and Pseudoephedrine.

(viii) notwithstanding anything contained in conditions (vi) and (vii) above, the endorsement of transferability or disposal of materials shall be allowed in respect of licences issued for the export of all kinds of writing instruments (including gift sets and refills/nibs) on fulfilment of export obligation only in favour of manufacturer of writing instruments.

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.

Explanations:- In this notification,-

(i) "*Export and Import Policy 1 April, 1992 - 31 March 1997*" means the Export and Import Policy 1 April 1992 - 31 March 1997 (Revised Edition: March 1995) published vide notification of the Government of India in the Ministry of Commerce No. 1-(RE-95)/92-97 dated the 31st March, 1995.

(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 specified in Part 'E' of the said certificate (hereinafter in this Explanation, referred to as the export product):

Provided that in the case of electronic goods and all kinds of writing instruments (including gift sets and refills/nibs), all export items covered by one serial number in the Standard Input Output and Value Addition norms as contained in Handbook of Procedures, 1992-97, Volume-II Published vide Public Notice No.121(PN)/92-97, dated the 31st March, 1993, of the Government of India in the Ministry of Commerce, shall be deemed to be single export product:

Provided further that the benefit of this notification shall apply to import of Acetic Anhydride only against licences, together with the quantity required for manufacture of the export product mentioned therein, issued with the approval of Advance Licensing Committee in the office of the Director General of Foreign Trade;

(b) mandatory spares, within a value limit of 5% of the value of the licence, which are required to be exported along with the export product; and

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

**THE SCHEDULE
VALUED BASED DUTY EXEMPTION ENTITLEMENT CERTIFICATE
I -(IMPORT)**

(This consists of pages)

Sl.No (IMP)

Date of issue

Port of Registration

Issued to

_____ (Name and full
address
_____ of the
licence)

Materials imported against Licence No. _____ dated the _____ issued by
_____ to the above importer and covered by the list of materials specified in list (a) of Part
'C' of this Certificate would be eligible for exemption from basic customs duties subject to the conditions
specified in the notification of the Government of India, Ministry of Finance, Department of Revenue
No.79/95-Customs dated the 31st March, 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 clearance of the goods from the
customs.

Signature
Seal of licensing authority
Date

PART A

Name and addresses of the factories where the resultant product for export are manufactured.

PART B

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

**PART C
LIST OF ITEMS OF IMPORT**

(a) ITEMS TO BE IMPORTED UNDER THIS CERTIFICATE

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

Total Value =

(b) OTHER IMPORTED ITEMS TO BE USED IN EXPORT PRODUCT

Sl.No.	Description	Quantity	Value
1	2	3	4

**PART D
PARTICULARS OF IMPORT OF MATERIALS**

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

Duty leviable but for exports			Signature of the Customs Officer with Name, designation and seal		
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 Basic	Amount of duty			
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 said notification are not complied with

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S.No.	S.No. in Part D under which the import of the materials has been entered	Descriptions quantity and value of materials on which duty 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
II-EXPORT**

(This consists ofpages)

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 in list (a) of Part 'C' of this certificate would be eligible for exemption from Basic Customs duty subject to the conditions specified in the notification of the Government of India, Ministry of Finance, Department of Revenue No. 79/95-Customs, dated the 31st March, 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 clearance of the goods from the customs.

Signature

Seal of licensing authority

Date

PART - A**Name and address of the factories where the resultant products for export are manufactured**

PART - B**Name and address of factories where the ancillaries to the resultant products for export are manufactured.**

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

**PART - E
RESULTANT PRODUCTS**

Sl.No.	Description	Quality	Technical Characteristics
1	2	3	4

Quantity	FOB Value in Rs./US\$	S.No. of the materials in Part-C
5	6	7

**PART - F
PARTICULARS OF EXPORTS**

Sl. No.	Sl. No. of the resultant product in Part E	Name of the Customs 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 product.	Description as per the Shipping Bill	FOB value in Rs./US \$	Signature of Customs Officer with name, designation and remarks if any.
6	7	8	9	10

**PART - H
Statement of Imports and Exports Made**

Type of licence	Licence No.	Date
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Details of Imports made

Sl. No.	Sl.No. of part C	Description	Quantity Imported	C.I.F. 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 information given in this statement is correct.

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.

PART - I**Endorsement of Transferability**

We have discharged the prescribed export obligation. We request that the licence and the DEEC may please be made transferable.

Signature
Name of the signatory
Designation
Full Address

DEEC is made transferable

Signature
Seal of licensing authority
Date

