



## **Bangalore Chamber of Industry and Commerce**

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### ***Taxation (Customs)***

Circular No.78

05.10.2009

All Members

Dear Sirs,

We enclose herewith the following Notification issued from Government of India, Ministry of Finance and Department of Revenue – for your reference and record.

1. Notification No. 106/2009-Customs, Dated : September 14, 2009 - [F.No: DGEP/FTP/62/2009-EOU & G & J]

Thanking you,

Yours faithfully

**T.S. Sampath Kumar**  
Secretary General

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Notification No. 106/2009-Customs, Dated : September 14, 2009 - [F.No: DGEP/FTP/62/2009-EOU & G & J]

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 directs that each of the notifications of the Government of India in the Ministry of Finance (Department of Revenue), specified in column (2) of the Table hereto annexed shall be amended or further amended, as the case may be, in the manner specified in the corresponding entry in column (3) of the said Table, namely:-

**TABLE**

<b>Serial number</b>	<b>Notification number and date</b>	<b>Amendments</b>
(1)	(2)	(3)
1.	94/96-Customs dated the 16 <sup>th</sup> December, 1996 [G.S.R 569 (E), dated the 16 <sup>th</sup> December, 1996]	<p>In the said notification, in the <i>Explanation</i>,-</p> <p>(i) for clause (b), the following clause shall be substituted, namely:-</p> <p>“(b) ‘Foreign Trade Policy’ means Foreign Trade Policy, 2009 - 2014 notified by the Government of India in the Ministry of Commerce and Industry published in the Gazette of India, Extraordinary, Part-II, Section 3, Sub section (ii) vide notification No. 1/2009-2014, dated the 27<sup>th</sup> August, 2009, as amended from time to time.”;</p> <p>(ii) for clause (c), the following clause shall be substituted, namely</p> <p>“(c) “Nominated agencies” means,-</p> <p>(1) Metals and Minerals Trading Corporation Limited (MMTC);</p> <p>(2) Handicraft and Handloom Export Corporation (HHEC);</p> <p>(3) State Trading Corporation (STC);</p> <p>(4) Project and Equipment Corporation of India Ltd. (PEC);</p> <p>(5) STCL Ltd;</p> <p>(6) MSTC Ltd;</p> <p>(7) Diamond India Limited (DIL);</p> <p>(8) Gems &amp; Jewellery Export Promotion Council (G&amp;J EPC);</p>

		<p>(9) a Star Trading House (only for Gems and Jewellery sector) or a Premier Trading House under paragraph 3.10.2 of Foreign Trade Policy; and</p> <p>(10) any other agency authorised by Reserve Bank of India (RBI).”.</p>
2.	41/99-Customs, dated 28 <sup>th</sup> April, 1999 [G.S.R. 289 (E), dated the 28 <sup>th</sup> April, 1999]	<p>In the said notification, for the words, letters and figures “Handbook of Procedures Volume-I, the 1st September, 2004- 31st March, 2009, published by the Government of India in the Ministry of Commerce and Industry vide Public Notice No. 1/2004-09, dated the 31st August, 2004, as amended from time to time”, the following words, letters and figures shall be substituted, namely: -</p> <p>“ ‘Handbook of Procedures (Volume-I)’ means Handbook of Procedures (Volume-I) notified by the Government of India in the Ministry of Commerce and Industry published in the Gazette of India, Extraordinary, Part-I, Section-1 vide Public Notice No. 1/2009-2014, dated the 27<sup>th</sup> August, 2009, as amended from time to time,”;</p>
3.	42/99-Customs, dated the 28th April, 1999 [G.S.R. 290(E), dated the 28th April, 1999]	<p>In the said notification,-</p> <p>(1) in the opening paragraph, for the words, letters and figures “Gem Replenishment Licenses referred to in para 4.58 of the HOP”, the words, letters and figures “Gem &amp; Jewellery Replenishment Authorization referred to in Paragraph 4A.4 of the Handbook of Procedures (Volume-I)” shall be substituted;</p> <p>(2) in the <i>Explanation</i> ,-</p> <p>(a) for clause (i), the following clause shall be substituted, namely:-</p> <p>“(i) ‘Foreign Trade Policy’ means</p>

		<p>Foreign Trade Policy, 2009 - 2014 notified by the Government of India in the Ministry of Commerce and Industry published in the Gazette of India, Extraordinary, Part-II, Section 3, Sub section (ii) vide notification No. 1/2009-2014, dated the 27<sup>th</sup> August, 2009, as amended from time to time.”;</p> <p>(b) for clause (ii), the following clause shall be substituted, namely :-</p> <p>“(ii) ‘Handbook of Procedures (Volume-I)’ means Handbook of Procedures (Volume-I) notified by the Government of India in the Ministry of Commerce and Industry published in the Gazette of India, Extraordinary, Part-I, Section-1 vide Public Notice No. 1/2009-2014 dated the 27<sup>th</sup> August, 2009, as amended from time to time,”.</p>
4.	56/2000-Customs dated the 5 <sup>th</sup> May, 2000 [G.S.R. 399 (E), dated the 5 <sup>th</sup> May, 2000]	<p>In the said notification, in the <i>Explanation</i>,-</p> <p>(i) for clause (a), the following clause shall be substituted, namely:-</p> <p>“(a) ‘Foreign Trade Policy’ means Foreign Trade Policy, 2009 - 2014 notified by the Government of India in the Ministry of Commerce and Industry published in the Gazette of India, Extraordinary, Part-II, Section 3, Sub section (ii) vide notification No. 1/2009-2014, dated the 27<sup>th</sup> August, 2009, as amended from time to time.”;</p> <p>(ii) for clause (b), the following clause shall be substituted, namely :-</p> <p>“(b) ‘Handbook of Procedures (Volume-I)’ means Handbook of Procedures (Volume-I) notified by the Government of India in the Ministry of Commerce and Industry published in the Gazette of India, Extraordinary, Part-I, Section-1 vide Public Notice No. 1/2009-2014, dated the</p>

		<p>27th August, 2009, as amended from time to time,”;</p> <p>(iii) in clause (d), for the words and figures “paragraph 3.5.2 of the Foreign Trade Policy”, the words and figures “paragraph 3.10.2 of Foreign Trade Policy” shall be substituted.</p>
5.	57/2000-Customs dated the 8 <sup>th</sup> May, 2000, G.S.R. 413 (E), dated the 8 <sup>th</sup> May, 2000	<p>In the said notification,-</p> <p>(1) in clause (a) of opening paragraph, for the words, letter and figures “paragraph 4A.15”, the words, letter and figures “paragraph 4A.14” shall be substituted;</p> <p>(2) after the second proviso, the following proviso shall be inserted, namely,-</p> <p>“Provided also that the nominated agencies (except for those authorized by RBI) shall follow the procedure and fulfill the conditions as specified in the Policy circular No. 77 (RE-2008)/2004-09 dated 31<sup>st</sup> March,.2009 as amended from time to time, issued by Director General of Foreign Trade.”;</p> <p>(3) in the <i>Explanation</i> ,-</p> <p>(i) for clause (a), the following clause shall be substituted, namely:-</p> <p>“(a) ‘Foreign Trade Policy’ means Foreign Trade Policy, 2009 - 2014, notified by the Government of India in the Ministry of Commerce and Industry published in the Gazette of India, Extraordinary, Part-II, Section 3, Sub section (ii) vide notification No. 1/2009-2014, dated the 27th August, 2009, as amended from time to time.”;</p> <p>(ii)for clause (b), the following clause shall be substituted, namely :-</p> <p>“(b) ‘Handbook of Procedures (Volume-I)’ means Handbook of Procedures (Volume-I) notified by the Government of</p>

		<p>India in the Ministry of Commerce and Industry published in the Gazette of India, Extraordinary, Part-I, Section-1 vide Public Notice No. 1/2009-2014, dated the 27th August, 2009, as amended from time to time,”;</p> <p>(iii) for clause (c), the following clause shall be substituted, namely:-</p> <p>“(c) “Nominated agencies” means,-</p> <p>(1) Metals and Minerals Trading Corporation Limited (MMTC);</p> <p>(2) Handicraft and Handloom Export Corporation (HHEC);</p> <p>(3) State Trading Corporation (STC);</p> <p>(4) Project and Equipment Corporation of India Ltd. (PEC);</p> <p>(5) STCL Ltd;</p> <p>(6) MSTC Ltd;</p> <p>(7) Diamond India Limited (DIL);</p> <p>(8) Gems &amp; Jewellery Export Promotion Council (G&amp;J EPC);</p> <p>(9) a Star Trading House (only for Gems and Jewellery sector) or a Premier Trading House under paragraph 3.10.2 of Foreign Trade Policy; and</p> <p>(10) any other agency authorised by Reserve Bank of India (RBI).”.</p>
6.	60/2002-Customs, dated the 7th June, 2002 [G.S.R. 416 (E), dated the 7th June, 2002]	<p>In the said notification,-</p> <p>(1) for clause (ii), the following clause shall be substituted, namely:-</p> <p>(ii) Gem Replenishment Authorization issued under, and in accordance with,</p>

		<p>paragraph 4A.12 of the Foreign Trade Policy”;</p> <p>(2) for the Explanation, the following Explanation shall be substituted, namely:-</p> <p>“Explanation.- For the purpose of this notification,</p> <p>‘Foreign Trade Policy’ means Foreign Trade Policy, 2009-2014 notified by the Government of India in the Ministry of Commerce and Industry published in the Gazette of India, Extraordinary, Part-II, Section 3, Sub section (ii) vide notification No. 1/2009-2014, dated the 27th August, 2009, as amended from time to time.”.</p>
7.	52/2003-Customs dated the 31 <sup>st</sup> March,2003 [G.S.R. 274 (E), dated the 31 <sup>st</sup> March, 2003]	<p>In the said notification,-</p> <p>(1) in the opening paragraph, in condition (6),-</p> <p>(a) in clause (iv), for the letters and figures “US \$ 1,00,000/-“, the letters, figures and words “ US \$ 1 million” shall be substituted.;</p> <p>(b) in clause (v), the following proviso shall be inserted, namely:-</p> <p>“Provided that in case of exhibition in USA, the time period for re-importing the jewellery shall be ninety days;”;</p> <p>(c) in clause (ix), for the letters, figures and words “No. 80/97-Customs, dated the 21<sup>st</sup> October 1997”, the following letters, figures and words “No. 62/2004-Customs dated 12<sup>th</sup> May 2004” shall be substituted;</p> <p>(2) in paragraph (3), for the words, brackets, letters and figures “or cleared to the holders of certificate from Apparel Export Promotion Council and Council for Leather Export for duty free import as</p>

	<p>referred to in clause (e) of the paragraph 6.9 of the Foreign Trade Policy, without payment of duty:”, the following words, letters, figures and brackets “or cleared to organizations which are entitled for duty free import of such goods in terms of the following exemption notifications-</p> <ol style="list-style-type: none"><li>1. No. 106/58-Customs dated the 29<sup>th</sup> March, 1958</li><li>2. No. 152/94-Customs dated the 13<sup>th</sup> July, 1994</li><li>3. No. 39/96-Customs dated the 23<sup>rd</sup> July, 1996</li><li>4. No. 50/96-Customs dated the 23<sup>rd</sup> July, 1996</li><li>5. No. 84/97-Customs dated the 11<sup>th</sup> November, 1997</li></ol> <p>issued by the Ministry of Finance in pursuance of clause (e) of paragraph 6.9 of the Foreign Trade Policy, without payment of duty:” shall be substituted;</p> <p>(3) in the paragraph (5),-</p> <p>(a) for the first proviso, the following proviso shall be substituted, namely:-</p> <p>“Provided that where silver or gold is imported on behalf of the said unit engaged in manufacture and export of gem and jewellery by the nominated agencies, the exemption shall apply only if-</p> <ol style="list-style-type: none"><li>(a) the procedure as may be specified by the said officer is followed by such a unit;</li><li>(b) the conditions stipulated in the opening paragraph are complied with by such a unit; and</li></ol>
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	<p>(c) the procedure and the conditions as specified in the Policy circular No. 77 (RE-2008)/2004-09 dated the 31<sup>st</sup> March, 2009 as amended from time to time, issued by Director General of Foreign Trade are followed by the nominated agencies (except for those authorized by RBI and the Gems and Jewellery units operating under EOU and SEZ schemes):”;</p> <p>(b) in the second proviso, for the letters, figures and words “No. 80/97-Customs, dated the 21<sup>st</sup> October 1997”, the following letters, figures and words “No. 62/2004-Customs dated 12<sup>th</sup> May 2004” shall be substituted;</p> <p>(4) in paragraph (10),-</p> <p>(a) after clause (ii), the following clause shall be inserted, namely:-</p> <p>“(iii) the exemption contained herein shall also apply to goods which are relatable to the articles manufactured by the unit for consolidation into sets alongwith such articles and export thereof ( <i>for example, cuff-links imported for exports alongwith shirts manufactured by the unit or a brush imported for packaging with the hair dye manufactured and exported by the unit, etc.</i>), subject to the following conditions, namely:-</p> <p>(a) no such exemption shall apply to gems and jewellery units;</p> <p>(b) the value of goods eligible for exemption shall not exceed 5% of the FOB value of such manufactured articles exported by the unit in the preceding financial year;</p> <p>(c) the list of goods to be imported under</p>
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		<p>this clause shall be approved by the Board of Approval and the unit shall fulfill such conditions as may be specified by the Board of Approval in this behalf; and</p> <p>(d) the goods imported and articles manufactured by the unit shall be listed out separately in the export documents.”;</p> <p>(b) for the proviso, the following proviso shall be substituted, namely:-</p> <p>“Provided that the export value of such spares, components, promotional material and goods imported for consolidation shall not be taken into consideration for fulfillment of Net Foreign Exchange Earnings (NFE) and for availing Domestic Sale Entitlement as specified in paragraph 6.8 of the Foreign Trade Policy. The goods imported for consolidation shall not be allowed to be sold in Domestic Tariff Area.”;</p> <p>(5) in the <i>Explanation</i> occurring after paragraph 13,-</p> <p>(a) for the clause (iii), the following clause shall be substituted, namely:-</p> <p>“(iii) ‘Foreign Trade Policy’ means Foreign Trade Policy, 2009 – 2014 notified by the Government of India in the Ministry of Commerce and Industry published in the Gazette of India, Extraordinary, Part-II, Section 3, Sub section (ii) vide notification No. 1/2009-2014, dated the 27th August, 2009, as amended from time to time.”;</p> <p>(b) for clause (vi), the following clause shall be substituted, namely :-</p> <p>“(vi) ‘Handbook of Procedures (Volume-I)’ means Handbook of Procedures (Volume-I) notified by the Government of</p>
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		<p>India in the Ministry of Commerce and Industry published in the Gazette of India, Extraordinary, Part-I, Section-1 vide Public Notice No. 1/2009-2014, dated the 27th August, 2009, as amended from time to time.”;</p> <p>(c) for clause (viii), the following clause shall be substituted, namely:-</p> <p>“(viii) “Nominated agencies” means,-</p> <p>(1) Metals and Minerals Trading Corporation limited (MMTC);</p> <p>(2) Handicraft and Handloom Export Corporation (HHEC);</p> <p>(3) State Trading Corporation (STC);</p> <p>(4) Project and Equipment Corporation of India Ltd (PEC);</p> <p>(5) STCL Ltd;</p> <p>(6) MSTC Ltd;</p> <p>(7) Diamond India Limited (DIL);</p> <p>(8) Gems &amp; Jewellery Export Promotion Council (G&amp;J EPC);</p> <p>(9) a Star Trading House (only for Gems and Jewellery sector) or a Premier Trading House under paragraph 3.10.2 of Foreign Trade Policy; and</p> <p>(10) any other agency authorised by Reserve Bank of India (RBI).”;</p> <p>(d) in clause (xi), for the words and figures “Paragraph 3.5.2 of the Foreign Trade Policy”, the words and figures “Paragraph 3.10.2 of Foreign Trade Policy” shall be substituted.;</p>
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		<p>(e) in clause (xii), for the word and figures "Para 6.10.1", the word and figures "Para 6.9.1" shall be substituted.;</p> <p>(6) in ANNEXURE-I, in Serial number 15A and the entries relating thereto, the following serial number and entries shall be substituted, namely:-</p> <p>"15A. Goods re-imported within sixty days of close of exhibition for which these goods were exported. In case of exhibition in USA, the time period shall be ninety days."</p>
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**Sd/-**  
**(Navraj Goyal)**  
**Under Secretary to the Government of India**

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