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Foreign Trade (Exemption from application of Rules in certain cases)

Amendment Order, 2017

MINISTRY OF COMMERCE

(Director General of Foreign Trade)

ORDER

New Delhi the 25 July, 2017

S.O. - In exercise of the powers conferred by section 3, read with section 4, of the Foreign Trade (Development and Regulation) Act, 1992 (22 of 1992), as amended by the Foreign Trade (Development and Regulation) Amended Act, 2010 the Central Government hereby amends the Foreign Trade (Exemption from application of Rules in certain cases) Order, 1993 to read as under:

1. Short title and commencement.

(1) This Order may be called the Foreign Trade (Exemption from application of Rules in certain cases) Amendment Order, 2017.

(2) It shall come into force on the date of its publication in the Official Gazette.

2. Definitions.

In this order, unless the context otherwise requires:-

(a) "Act" means the Foreign Trade (Development and Regulation) Act, 1992 (22 of 1992) as amended by the Foreign Trade (Development and Regulation) Amended Act, 2010;

(b) "Import Trade Regulations" means the Act and the rules and order made there under and the export and import policy;

(c) "Rules" mean the Foreign Trade (Regulation) Amendment Rules, 2015;

(d) Words and expressions used in this Order and not defined but defined in the Act shall have the meanings respectively assigned to them in the Act.

3. Exemption from the application of rules.-

(1) Nothing contained in the Rules shall apply to the import of any goods,

(a) by the Central Government or agencies, undertakings owned and controlled by the Central Government for Defence purposes;

(b) by the Central Government or any State Government, Statutory Corporation, public body or Government Undertaking run as a joint Stock Company;

(c) by the Central Government, any State Government or any statutory corporation or public body or Government Undertaking run as a joint Stock Company, orders in respect of which are placed through the Directorate General Supplies and Disposals, New Delhi;

(d) by transit or imported and bonded on arrival for re-export as ship's stores to any country outside India except Nepal and Bhutan or imported and bonded on arrival for re-export as aforesaid but subsequently released for use of Diplomatic personnel, Consular Officers in India and the officials of the United Nations Organisation and its specialised agencies who are exempt from payment of duty under the relevant notification of the Government of India in the Ministry of Finance (Department of Revenue) and the United Nations (Privileges and Immunities) Act, 1947 (46 of 1947) respectively;

(e) imported and bonded on arrival for sale at approved duty-free shops, whether to outgoing or incoming passengers;

(f) which are in transit through India by post or otherwise, or are redirected by post or otherwise to a destination outside India, except Nepal and Bhutan, provided that such goods, while in India, are always in the custody of the postal or customs authorities;

(g) for transmission across India by air to Afghanistan or by land to any other country outside India, except Nepal and Bhutan, under claim for exemption from duty or for refund of duty either in whole or in part:

(i) Provided that such goods are imported by or on behalf of the Government or a country bordering on India or that the importer undertakes to produce within a specified period evidence that such goods have crossed the borders of India or in default to pay such penalty as the proper officer of customs may deem fit to impose on such goods:

(ii) Provided further that nothing contained in this order will exempt any goods from the Import Trade Regulations;

(h) by the person as passenger baggage to the extent admissible under the Baggage Rules for the time being in force:

Provided that in the case of imports by a tourist, articles of high value whose re-export is obligatory under Baggage Rules, 2016, shall be re-exported on his leaving India, failing which such goods shall be deemed to be goods the import of which has been prohibited under the Customs Act, 1962 (52 of 1962);

(i) by any person through the post or otherwise for his personal use subject to compliance of other Laws/Rules/Orders/Regulations in force:

(j) by or on behalf of diplomatic personnel, consular officers and Trade Commissioners in India who are exempted from payment of Customs duty under the relevant Notification of the Government of India in the Ministry of Finance (Department of Revenue);

(k) from any country, which are exempted from Customs duty on re-importation under section 20 of the Customs Act, 1962 (52 of 1962);

(l) of Indian manufacture and foreign made parts of such goods, exported and received back by the manufacturer from the consignee for repair and re-export:

Provided that

- (i) the customs authorities are satisfied that the goods received back by the said manufacturers are the same which were so exported; and
- (ii) in the case of goods on re-importation under a bond executed by the importer with the customs authority at the port concerned to the effect in accordance with Customs Notification;

(m) by officials of the United Nations Organisation and its specialised agencies who are exempted from payment of Customs duty under the United Nations(Privileges and Immunities) Act, 1947 (46 of 1947);

(n) deleted;

(o) being vehicles as defined in Article I of the Customs Convention on the Temporary Importation of Private Road Vehicles or the component parts thereof referred to in Article 4 of the said Convention and which are exempted from payment of customs duty under the relevant notification of the Government of India in the Ministry of Finance (Department of Revenue):

Provided that

- (i) such vehicles or component parts are re-exported within the period specified in the said notification or within such further period as the customs authorities may allow;
- (ii) the provisions of the said notification or of the "trip tyque or Carnel-De-Passage" permit are not contravened in relation to such vehicle or component parts:

Provided further that nothing contained in this Order shall prejudice the application to the said vehicles or component parts of any other prohibition or regulation affecting the import of goods that may be in force at the time of import of such goods;

(p) being goods imported temporarily for display or use in fairs, exhibitions or similar events specified in accordance with relevant Customs Notification against ATA carnets under the Customs Convention on the ATA Carnets for temporary admission of goods (ATA Convention) done at Brussels on the 30th July, 1963:

Provided that

- (i) such goods are exported within a period of six months from the date of clearance or such extended period as the Central Government may allow in each case; and
- (ii) the provisions of the said notification or of the ATA convention are not contravened:

Provided further that nothing contained in this item shall prejudice the application to the said goods of any other prohibition or regulation affecting the import of goods that may be in force at the time of import of such goods;

(q) any goods imported in accordance with the Treaty or Agreement on Transit with Nepal and Bhutan;

(r) of Indian manufacture or by the Central Government or any State Government for repair and re-export to Indian Embassies abroad or to any other office of the Central Government or State Government in a foreign country;

(s) being food grains, by Food Corporation of India:

Provided that at the time of clearance, a declaration to the effect that the import in question has been approved by the Central Government is furnished by the importer to the Customs authorities;

(t) deleted.

(2) Nothing contained in the Rules shall apply to –

(a) any goods exported by or under the authority of the Central Government;

(b) any goods other than food-stuffs constituting the stores or equipment of any outgoing vessel or conveyance;

(c) any goods constituting the bona fide personal baggage of any person, including a passenger or member of a crew in any vessel or conveyance, going out of India:

Provided that the Wild Life (as defined in the wild life (Protection) Act, 1972 (as amended from time to time) shall not be treated as part of such personal baggage;

(d) deleted;

(e) any goods transshipped at a port in India after having been manifested for such transshipment at the time of despatch from a port outside India;

(f) any goods imported and bonded on arrival in India for re-export to any country outside India, except Nepal and Bhutan;

(g) any goods in transit through India by post or any goods re-directed by post to a destination outside India except Nepal and Bhutan:

Provided that such goods, while in India, are always in the custody of the postal authorities;

(h) any goods imported without a valid import license and exported in accordance with an order for the export of such goods made by the proper officer of Customs;

(i) products approved for manufacture in and export from the respective free Trade Zones/Export Processing Zones and 100 per cent Export Oriented Units except textile item covered by bilateral agreements, exports to Rupee Payment countries under the Annual Trade Protocol and Exports against payment in Indian Rupees to former Rupee payment countries:

Provided that conditions imposed in the letter of approval/letter of intent on Export Oriented Unit or Export Processing Zone will be binding on such a unit;

(j) export of Blood group Oh (Bombay Phenotype) meant for scientific research or emergency medical treatment as life saving measure on humanitarian grounds by the Director, National Blood Group Reference Laboratory, Bombay on the basis of a certificate issued by him to this effect in each case;

(k) export of samples of lubricating oil additives, Lube Oil, crude oil and other related petroleum products and raw materials used to manufacture Lube Additives by Lubrizols India Limited, Hindustan Petroleum Corporation Limited and Bharat Petroleum Corporation Limited, from their installation in India to Lubrizol's Laboratories in the United States of America and the United Kingdom for evaluation and testing purposes.

(Alok Vardhan Chaturvedi)
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