

[TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY, PART II
SECTION 3, SUB-SECTION (i)]
GOVERNMENT OF INDIA
MINISTRY OF FINANCE
(DEPARTMENT OF REVENUE)

NOTIFICATION No. 27/2023 - Customs

New Delhi, the 1st April, 2023.

G.S.R.(E) .- 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 fabrics (including interlining) imported into India against a valid Special Advance Authorisation (hereinafter referred to as the said authorisation) issued by the Regional Authority in terms of paragraph 4.04A of the Foreign Trade Policy 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) (hereinafter referred to as the Customs Tariff Act) and from the whole of the additional duty leviable thereon under sub-sections (1), (3) and (5) of section 3, integrated tax leviable thereon under sub-section(7) of section 3, the goods and services tax compensation cess leviable thereon under sub-section (9) of section 3, safeguard duty leviable thereon under section 8B, countervailing duty leviable thereon under section 9 and anti-dumping duty leviable thereon under section 9A of the Customs Tariff Act, subject to the following conditions, namely :-

(i) that the said authorisation is produced before the proper officer at the time of clearance for debit;

(ii) that the said authorisation is meant for import of fabric only and bears,-

(a) the name and address of the importer and the supporting manufacturer in cases where the authorisation has been issued to a merchant exporter; and

(b) the description and other specifications of the fabrics to be imported and the description, quantity and value of exports of the product falling under Chapter 61 or 62 of the said First Schedule to the Customs Tariff Act;

(iii) that the fabrics imported corresponds to the description and other specifications (where applicable) mentioned in the authorisation and are in terms of para 4.12 of the Foreign Trade Policy and the value and quantity thereof are within the limits specified in the said authorisation;

(iv) that the importer at the time of clearance of the imported fabric executes a bond with such surety or security and in such Form and for such sum as may be specified by the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be, binding himself to pay on demand an amount equal to the duty leviable, but for the exemption contained herein, on the imported materials in respect of which the conditions specified in this notification are not complied with, together with interest at the rate of fifteen per cent. per annum from the date of clearance of the said materials:

Provided that in relation to the said authorisation issued to a merchant exporter, the bond required to be executed by the importer in terms of this notification shall be executed jointly by the merchant exporter and the supporting manufacturer binding themselves jointly and severally to comply with the conditions specified in this notification;

(v) that the imports and exports are undertaken through the seaports, airports or through the inland container depots or through the land customs stations as specified in the Table 2 annexed to the Notification No. 26/2023-Customs dated 1st April, 2023 or a Special Economic Zone notified under section 4 of the Special Economic Zones Act, 2005 (28 of 2005):

Provided that the Commissioner of Customs may, by special order or a public notice and subject to such conditions as may be specified by him, permit import and export through any other Seaport, Airport, Inland Container Depot or through a Land Customs Station within his jurisdiction;

(vi) that the export is made subject to pre-import condition on the fabrics in terms of notified Standard Input Output Norms (SION) or under prior fixation of norms or on the basis of self-declaration as per para 4.04A(ii) of Foreign Trade Policy for fabric only;

(vii) that the export obligation as specified in the said authorisation (both in value and quantity terms) is discharged within the period specified in the said authorisation or within such extended period as may be granted by the Regional Authority through physical exports of products (in which the preimported fabric is physically incorporated) falling under Chapter 61 or 62 of the First Schedule to the Customs Tariff Act manufactured in India which are specified in the said authorisation;

(viii) that the importer produces evidence of discharge of export obligation to the satisfaction of the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be, within a period of sixty days of the expiry of period allowed for fulfilment of export obligation, or within such extended period as the said Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be, may allow;

(ix) that the said authorisation shall not be transferred and the said fabrics shall not be transferred or sold;

Provided that the said fabrics may be transferred to a job worker for processing subject to complying the conditions specified in the relevant goods and services tax provisions permitting transfer of materials for job work;

2. Where the fabrics are found defective or unfit for use, the said fabrics may be re-exported back to the foreign supplier within six months from the date of clearance of the said fabrics or such extended period not exceeding a further period of six months as the Commissioner of Customs may allow:

Provided that at the time of re-export, the fabrics are identified as the same fabric which was imported to the satisfaction of the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be.

Explanation, – For the purposes of this notification, -

(I) "Foreign Trade Policy" means the Foreign Trade Policy, 2023, published by the Government of India in the Ministry of Commerce and Industry, *vide* notification No. 01/2023, dated the 31st March, 2023;

(II) "Regional 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 an authorisation under the said Act.

[F. No. 605/10/2022-DBK]

(Dhananjay Singh)
Under Secretary.