Circular No. 96
dated 29/8/95

F.No. 497/8/95- CUS. VI
Government of India
Ministry of Finance
Department of Revenue, New Delhi

Subject: Clarification regarding policy relating import of cars

The undersigned is directed to refer to the Commissioner of Customs, Delhi's D.O. letter No. VII/ 12/ ACU/ 7-Cars/ 165/ Ch. 87/ 75 dated 9-6-1995, addressed to Jt. Director General of Foreign Trade, seeking clarification on the subject of:

(i) Import of car by persons returning to India for permanent settlement, and
(ii) Whether such persons coming to India for permanent settlement could avail of TR concession under Public Notice 202/92-97, on the basis of filing a declaration/ affidavit, or whether they must avail of TR Concession in order to prove their intention for permanent settlement.

2. Import of cars of such person is governed by Public Notice 202/ 92-97, where, as per condition 2(a)(b), import of cars is allowed provided the imported had stayed abroad continuously of at least two years prior to has coming to Public Notice implies "continuous" uninterrupted stay, without any provision for condonation of short fall in the period, and whether the two years in question would not necessarily have to be immediately prior to the importer's return to India.

3. DGFT was, therefore, asked to clarify whether short visits during this period of two years can be condoned for the purposes of being eligible to import motor vehicle also, similar to the Condonation provision as applicable in the case of Baggage Rules (Appendix L of Hand Book of Procedures, April - March, 1992-97, amended upto 30.4.1995).

4. In reply, the Deputy Director General of Foreign Trade, vide his letter No. 39 (587)/ 92-97/ IPC/ 183 dated 29th June, 1995 (copy enclosed)[1] has clarified the two points, as below:

(i) for eligibility to import a car, relaxation of short visits, as provided for in the Baggage Rules should be made applicable and,
(ii) it should be linked with the Transfer of Residence only, as the Import Policy of car clearly indicates under Category 'A' that import is allowed to persons coming to India for permanent settlement.

5. The above clarification may be kept in view for clearing the Consignment of cars.

Sd/-
(A.S. Bedi)
Under Secretary to the Govt. of India