27th June, 2001

Notification No. 33/2001-Customs (N.T)

In exercise of the powers conferred by sub-section (1) of section 157, read with sub-section (3) of section 160 of the Customs Act, 1962 (52 of 1962), the Central Board of Excise and Customs hereby makes the following rules to further amend the Foreign Privileged Persons" (Regulation of Customs Privileges) Rules, 1957, namely :-

1. (1) These rules may be called the Foreign Privileged Persons, (Regulation of Customs Privileges) Amendment Rules, 2001.

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

2. In the Foreign Privileged Persons" (Regulation of Customs Privileges) Rules, 1957,-

(i) in rule 4A,-

(I) for sub-rule (2), the following sub-rule shall be substituted, namely:-

" (2) Any privileged person may -

(a) sell or otherwise dispose of any motor vehicle referred to in sub-rule (1) to another privileged person, with the permission of Central Board of Excise and Customs through the Ministry of External Affairs;

(b) re-export the motor vehicle, with the permission of the Ministry of External Affairs;

(c) sell or otherwise dispose of the motor vehicle to any non-privileged person, with the permission of Central Board of Excise and Customs through the Ministry of External Affairs, on payment of appropriate customs duty, on expiry of three years from the date on which such motor vehicle was imported.

Provided that a privileged person, on his transfer out of India, may sell or otherwise dispose of a motor vehicle, which was imported within one year of his posting in India, to a non-privileged person prior to expiry of above-said period of three years from the date on which such motor vehicle was imported;

(d) sell or otherwise dispose of an accidented /totally damaged motor vehicle, with the permission of Central Board of Excise and Customs, to the Insurance Company with whom the motor vehicle was insured without prejudice to his rights to sell or otherwise dispose of the motor vehicle in terms of clauses (a) and (b).

Provided that in case the insurance company declines to accept the offer for sale of the motor vehicle, the motor vehicle, with the permission of Central Board of Excise and Customs, may be sold to the Metal Scrap Trading Corporation or any other suitable disposal agency for scrapping.";

(II) for sub-rule (3), the following sub-rule shall be substituted, namely:-

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"(3) Every application for sale or disposal otherwise of a motor vehicle to another privileged person or, as the case may be, to a non-privileged person under clauses (a) and (c) of sub-rule (2) respectively or sale or disposal of an accidented or totally damaged vehicle under clause(d) of sub-rule (2), shall be made to the Ministry of External Affairs, in the Form prescribed by the Ministry of External Affairs for the purpose, and that Ministry shall remit the application to the Central Board of Excise and Customs."

(ii) in rule 5,-

(a) sub-rule (1A) shall be omitted.

(b) for sub-rule (1B), the following sub-rule shall be substituted, namely:-
" (1B) The custom duty on any vehicle sold or otherwise disposed of under clause (c) of sub-rule (2) of rule 4A shall be paid to the Commissioner of Customs nearest to the headquarters in India of the privileged person concerned, the duty to be recovered for such motor vehicle, except in case of accidented or totally damaged vehicle, shall be assessed on the depreciated value arrived after providing for depreciation at the scales specified by the Central Board of Excise and Customs in case of import of second hand motor vehicles, and the rate of duty on such vehicle and the exchange rate for conversion of foreign currency into Indian currency shall be taken as applicable on the date of approval of such sale or otherwise disposal by the said Board under clause (c) of sub-rule (2) of rule 4A.

Provided that the facility of duty free sale of vehicles, after four years of import, shall be allowed on reciprocal basis to privileged persons of those countries, which are allowing similar facility of duty free sale of vehicles to Indian privileged persons posted in those countries, and for this purpose applications made to the Ministry of External Affairs before the applicants leave India shall be entertained."

(c) for sub-rule (1C), the following sub-rule shall be substituted, namely:-
" (1C) In the case of any accidented or totally damaged vehicle referred to in clause (d) in sub-rule (2) of rule 4A, the Customs duty shall be calculated taking the sale price as cum-duty price and rate of duty shall be taken as that applicable to such motor vehicle, if it had not been so accidented or damaged at the time of such sale."

(d) after sub-rule (1C), the following sub-rule shall be inserted, namely:-
" (1D) In case a vehicle has been stolen, customs duty shall be calculated taking the amount of insurance claim as cum duty price and rate of duty shall be taken as that applicable to such motor vehicle."

(a) sub-rule (4) shall be omitted.

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Under secretary to the government of India

F.No. 421/4/95-Cus.IV

Note: The principles rules were published in the Gazette of India vide notification Customs No. 4 dated the 8th January, 1957 and last amended by the notification No. 43/99-Customs(N.T.) dated the 2nd July, 1999.

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