FOREIGN TRADE (EXEMPTION FROM APPLICATION OF RULES IN CERTAIN CASES) ORDER, 1993

Ministry of Commerce

Notification S.O. No. 1056 (E), dated 31-12-1993

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) and in supersession of the Imports (Control) Order, 1955 and the Exports (Control) Order, 1988, except as respects things done or omitted to be done before such supersession, the Central Government hereby makes the following Order, namely :-

1. Short title and commencement.-

(1) This Order may be called the Foreign Trade (Exemption from application of Rules in certain cases) Order, 1993.

(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);

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

(c) "Rules" means the Foreign Trade (Regulation) Rules, 1993;

(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 through the agency of the Purchase Organisations of the Ministry of Supply, that is India Supply Mission, London and India Supply Mission, Washington;

(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 transhipment or imported and bonded on arrival for re-export as ships 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 notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 3, dated 8th January, 1957 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, against payments in free foreign exchange;

(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 :

Provided that such goods are imported by or on behalf of the Govern-ment 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 :

Provided further that nothing contained in this item 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 except quinine exceeding five hundred tablets or 1/3 Ib powder or one hundred ampoules :

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Provided that in the case of imports by a tourist, articles of high value whose re-export is obligatory under rule 7 of the Tourist Baggage Rules,1978 shall be re-exported on his leaving India, failing which such goods shall be deemed to be goods of which the import has been prohibited under the Customs Act, 1962 (52 of 1962):

Provided further that the import of gold in any form including ornaments (but excluding ornaments studded with stones or pearls) will be allowed as part of baggage by passengers of Indian origin or a passenger holding a valid passport issued under the Passports Act, 1967 (15 of 1967) subject to the following conditions, namely :-

(a) that the passenger importing the gold is coming to India after a period of not less than six months of stay abroad;
(b) the quantity of gold imported shall not exceed 5 Kilograms per passenger;
(c) import duty on gold shall be paid in convertible foreign currency; and
(d) there will be no restriction on sale of such imported gold;
(i) by any person through the post or otherwise for his personal use, or by any institution or hospital for its use except -

(a) vegetable seeds exceeding one Ib. in weight;
(b) beer;
(c) tea;
(d) books, magazines, journals and literature which are not allowed to be imported under the Policy for the time being in force;
(e) goods, the import of which is canalised under the Policy;
(f) alcoholic beverages;
(g) fire arms and ammunition;
(h) consumer electronic items (except hearing aids and life-saving equipments, apparatus and appliances and parts thereof):

Provided that the c.i.f. value of goods imported as aforesaid at any one time shall not exceed rupees two thousand.

(j) by or on behalf of Diplomatic personnel, consular officers and Trade Commissioners in India who are exempted from payment of Customs duty under Notification No. 3 dated the 8th January, 1957 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) or under Customs Notification Nos. 113 dated 16th May 1957, 103 dated 25th March, 1958, 260 and 261 dated llth October, 1958, 269, 271, 273, 274, 275 and 276 dated 25th October, 1958 and 204 dated 2nd August, 1976, of the Government of India, Ministry of Finance (Department of Revenue) or Notification No. 174, dated the 24th September, 1966 or Notification No. 103, dated the 16th May, 1978, of the Government of India, Ministry of Finance (Department of Revenue and Insurance) or Notification No. 80, dated 29th August, 1970;

(1) 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 other than those exempted from customs duty on reimportation under Customs Notification No. 132, dated 9th December, 1961, a bond is executed by the importer with the customs authority at the port concerned to the effect that the goods thus imported will be re-exported after repair within six months;

(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) by the Ford Foundation who are exempt from payment of Customs duty under an Agreement entered into between the Government of India and the Ford Foundation;

(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 notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 296, dated the 2nd August, 1976 :

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 "triptyque or Camel-De-Passage" permit are not contravened in relation to such vehicle or component parts :

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Provided further that nothing contained in this item 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 Schedule I to the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 157/90-CUSTOMS, dated the 28th March, 1990 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) covered by an import licence issued by His Majesty"s Government of Nepal and the importer furnishes a bond to the proper officer of customs in the form prescribed by such officer with a Scheduled Bank as surety to the effect that he shall pay the duty and pay penalty imposed for contravening Import Trade Regulations in respect of the whole or any portion of the goods which is not proved to have entered the territory of Nepal;

(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 foodgrains, 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) being articles of food and edible material, which are supplied as free gift by the agencies approved by the United Nations Organisation and which are exempted from payment of customs duty under the Notification of Government of India in the Ministry of Finance (Department of Revenue) No. GSR 766, dated 21st June, 1975.

(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 foodstuffs 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 (dead, alive or part thereof or produce therefrom) shall not be treated as part of such personal baggage;

(d) any goods exported by post or by air under the conditions specified in postal notice issued by the Postal Authorities;

(e) any goods transhipped at a port in India after having been manifested for such transhipment 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 licence 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 by the Board of Approval on an Export Oriented Unit of Export Processing Zone unit will be binding on such a unit;

(j) export of Blood group Oh (Bombay Phono type) 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.

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