

## GENERAL EXEMPTION NO. 174

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Reserve Bank of India in connection with any commercial and industrial (including constructional) activities.	(3) that the project has a specific approval of the Reserve Bank of India; (4) that the ownership of the goods has not changed between the time of export and re-import.	(7) of section 3 of the said tariff Act]] as is in excess of the <sup>1</sup> [duty of customs leviable thereon which is specified in the First Schedule to the Customs Tariff Act, 1975 (51 of 1975), the integrated tax leviable thereon under sub-section (7) of section 3 of the said tariff Act] which would be leviable if the value of the goods were equal to the cost of such alterations, renovations, additions or repairs while the goods were abroad;  (ii) in other cases, the <b>whole of the duty of customs</b> leviable thereon under the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) and the whole of the <sup>2</sup> [integrated tax under sub-section (7) of section 3] of the said Customs Tariff Act, 1975.
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[Notification No. 241-Cus., dated 4-11-1982 as amended by Notifications No. 101/83-Cus., dated 5-4-1983 and No. 43/2017-Cus., dated 30-6-2017.]

## GENERAL EXEMPTION NO. 174

**Exemption to re-import of goods exported under duty drawback, rebate of duty or under bond for which permission has been given on or after the 1st July, 2017.** — In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962) the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby exempts the goods falling within any Chapter of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) and specified in column (2) of the Table below when re-imported into India, from so much of the duty of customs leviable thereon which is specified in the said First Schedule, and the <sup>3</sup>[\* \* \*] integrated tax, compensation cess leviable thereon respectively under sub-sections (7) and (9) of section 3 of the said Customs Tariff Act, as is in excess of the amount indicated in the corresponding entry in column (3) of the said Table:

TABLE

Sl. No. (1)	Description of goods (2)	Conditions (3)
1	Goods exported - (a) under claim for drawback of any customs or excise duties levied by the Union (b) under claim for drawback of any excise duty levied by a State (c) under claim for refund of integrated tax paid on export goods (d) under bond without payment of integrated tax (e) under duty exemption scheme (DEEC/ Advance Authorisation/DFIA) or Export Promotion Capital Goods Scheme (EPCG)	amount of drawback of customs or excise duties allowed at the time of export;  amount of excise duty leviable by State at the time and place of importation of the goods allowed at the time of export;  amount of refund of integrated tax, availed at the time of export;  amount of integrated tax not paid;  amount of integrated tax and compensation cess leviable at the time and place of importation of goods and subject to the following conditions applicable for such goods - (i) DEEC book has not been finally closed and export in question is de-logged from DEEC Book; Advance Authorisation/DFIA has not been redeemed and the authorisation holder has not been discharged from the export obligation by DGFT;  (ii) In case of EPCG scheme the period of full export performance has not expired and necessary endorsements regarding reimport have been made;  (iii) The importer had intimated the details of the consignment re-imported to the Assistant Commissioner of Customs or Deputy

1 Substituted (w.e.f. 1-7-2017) by Notification No. 43/2017-Cus., dated 30-6-2017.

2 Substituted (w.e.f. 1-7-2017) by Notification No. 43/2017-Cus., dated 30-6-2017.

3 Corrected by M.F. (D.R.) Corrigendum No. G.S.R. 942(E), dated 22-7-2017.

Sl. No.	Description of goods	Conditions
(1)	(2)	(3)
		Commissioner of Customs in charge of the factory where the goods were manufactured or the premises from where the goods were supplied and to the licensing authority regarding the fact of reimportation and produces a dated acknowledgement of such intimation at the time of clearance of goods;  (iv) The manufacturer-exporters may be permitted clearance of such goods without payment of Central Excise duty or integrated tax and compensation cess under transit bond to be executed with the Customs authorities at the port of importation, such bond will be cancelled on the production of certificate issued by the jurisdictional Customs authority about receipt of reimported goods into their factory or the premises from where the goods were supplied.
2	Goods, other than those falling under Sl. No. 1 exported for repairs abroad	<sup>1</sup> [Said duty, tax or cess] which would be leviable if the value of re-imported goods after repairs were made up of the fair cost of repairs carried out including cost of materials used in repairs (whether such costs are actually incurred for not), insurance and freight charges, both ways.
3	Cut and polished precious and semi-precious stones exported for treatment abroad as referred to in Paragraph 4A.20.1 of the Foreign Trade Policy, other than those falling under Sl. No. 1.	<sup>2</sup> [Said duty, tax or cess] which would be leviable if the value of re-imported precious and semiprecious stones after treatment were made up of the fair cost of treatment carried out including cost of materials used in such treatment, whether such costs are actually incurred for not, insurance and freight charges, both ways.
4	Parts, components of aircraft replaced or removed during the course of maintenance, repair or overhaul of the aircraft in a Special Economic Zone and brought to any other place in India.  <i>Explanation.</i> - For the purpose of this notification, "Special Economic Zone" has the meaning assigned to it in clause (za) of section 2 of the Special Economic Zones Act, 2005 (28 of 2005)	Nil
5	Goods other than those falling under Sl. No. 1, 2, 3 and 4	Nil :

Provided that the Assistant Commissioner of Customs/Deputy Commissioner of Customs is satisfied that -

- (a) in the case of Bhutan, the machinery and equipment other than those exported under Duty Exemption Scheme (DEEC/Advance Authorisation/DFIA) or Export Promotion Capital Goods Scheme (EPCG) or Duty Entitlement Passbook Scheme (DEPB) or any reward scheme of Chapter 3 of Foreign Trade Policy are re-imported within seven years after their exportation or within such extended period, not exceeding three years, as may be allowed by the Principal Commissioner of Customs or Commissioner of Customs, as the case may be, on sufficient cause being shown for the delay;
- (b) in all other cases, the goods other than those exported under Duty Exemption Scheme (DEEC/Advance Authorisation/DFIA) or Export Promotion Capital Goods Scheme (EPCG) or Duty Entitlement Passbook Scheme (DEPB) or any reward scheme of Chapter 3 of Foreign Trade Policy are re-imported within three years after their exportation or within such extended period, not exceeding two years, as the Principal Commissioner of Customs or Commissioner of Customs, as the case may be, on sufficient cause being shown for the delay may be allowed;
- (c) in the case of goods exported under the Duty Exemption Scheme (DEEC/Advance Authorisation/DFIA) or Export Promotion Capital Goods Scheme (EPCG) or Duty Entitlement Passbook Scheme (DEPB) or any reward scheme of Chapter 3 of Foreign Trade Policy, re-importation of such goods takes place within one year of exportation or such extended period not exceeding one more year as the Principal Commissioner of Customs or Commissioner of Customs, as the case may be, on sufficient cause being shown for the delay may be allowed;
- (d) the goods are the same which were exported;
- (e) in the case of goods falling under Sr. No. 2 of the Table there has been no change in ownership of the goods between the time of export of such goods and re-import thereof;

1. Substituted by Notification No. 36/2021-Cus., dated 19-7-2021.  
2. Substituted by Notification No. 36/2021-Cus., dated 19-7-2021.

- (f) in the case of the goods falling under Serial numbers 1 and 3 of the Table and where the value of exported goods was counted towards fulfilment of export obligation, the amount of customs duties leviable on the duty-free inputs obtained from Nominated Agencies but for the exemption availed under the Ministry of Finance (Department of Revenue) notification No. 56/2000-Customs dated the 5th May, 2000 [*vide* G.S.R. 399 (E), dated the 5th May, 2000] and notification No. 57/2000-Customs, dated the 8th May, 2000 [*vide* G.S.R. 413(E), dated the 8th May, 2000] shall also be paid in addition to amount of duty specified in column (3) of the Table;
- (g) in the case of goods falling under Sl. No. 4 of the Table, the goods are returned to the owner of the aircraft without any sale :

**Provided** further that nothing contained in this notification shall apply to re-imported goods -

- (a) which had been exported by a hundred per cent, export-oriented undertaking or a unit in a Free Trade Zone as defined under section 3 of the Central Excise Act, 1944 (1 of 1944);
- (b) which had been exported from a public warehouse or a private warehouse appointed or licensed, as the case may be, under section 57 or section 58 of the Customs Act, 1962 (52 of 1962);
- (c) which fall under the Fourth Schedule to the Central Excise Act, 1944 (1 of 1944).

2. This Notification will apply to the exports for which order permitting clearance and loading under section 51 of the Customs Act, 1962, has *been given on* or after 1st day of July, 2017.

3. This notification shall come into force with effect from the 1st day of July, 2017.

**Explanation.** - For the purposes of this notification, -

- (a) the goods shall not be deemed to be the same if these are re-imported after being subjected to re-manufacturing or reprocessing through melting, recycling or recasting abroad;
- (b) 'Foreign Trade Policy' means Foreign Trade Policy, 2015 - 2020 notified by the Government of India in the Ministry of Commerce and Industry published in the Gazette of India, Extraordinary, Part-II, Section 3, Sub-section (ii) *vide* notification No. 01/2015-2020, dated the 1st April, 2015;
- (c) 'Nominated agencies' means,-
- (i) Metals and Minerals Trading Corporation Limited (MMTC);
  - (ii) Handicraft and Handloom Export Corporation (HHEC);
  - (iii) State Trading Corporation (STC);
  - (iv) Project and Equipment Corporation of India Ltd. (PEC);
  - (v) STCL Ltd;
  - (vi) MSTC Ltd;
  - (vii) Diamond India Limited (DIL);
  - (viii) Four Star Export House from Gems & Jewellery sector and Five Star Export House from any sector as may be recognised as nominated agencies by Regional Authority in terms of the Foreign Trade Policy;
  - (ix) any bank as authorised by Reserve Bank of India as Nominated Agency;

[(d) on recommendation of the GST Council, for removal of doubt, it is clarified that the goods mentioned at serial numbers 2 and 3 of the Table, are leviable to integrated tax and cess as leviable under the said Customs Tariff Act, besides the customs duty as specified in the said First Schedule, calculated on the value as specified in column (3), and the exemption, under said serial numbers, is only from the amount of said tax, cess and duty over and above the amount so calculated.]

[*Notification No. 45/2017-Cus., dated 30-6-2017 as corrected by M.F. (D.R.) Corrigendum No. G.S.R. 942(E), dated 22-7-2017 and amended by Notification No. 36/2021-Cus., dated 19-7-2021.*]

## GENERAL EXEMPTION NO. 175

**Exemption to re-import of goods exported under duty drawback, rebate of duty or under bond for which permission was given before 1-6-2017.** — In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962) and in supersession of the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 94/96-Customs, dated the 16th December, 1996 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (ii), *vide* number G.S.R. 569 dated the 16th December, 1996, except as respects things done or omitted to be done before such supersession, the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby exempts the goods falling within any Chapter of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) and specified in column (2) of the Table below when reimported into India, from so much of the duty of customs leviable thereon which is specified in the said First Schedule, and the <sup>2</sup>[\* \* \*] additional duty, integrated tax, compensation cess leviable thereon respectively under sub-sections (1), (3), (5), (7) and (9) of section 3 of the said Customs Tariff Act as is in excess of the amount indicated in the corresponding entry in column (3) of the said Table.

1 Inserted by Notification No. 36/2021-Cus., dated 19-7-2021.

2 Corrected by M.F. (D.R.) Corrigendum No. G.S.R. 943(E), dated 22-7-2017.