

APPENDIX 2.1

DRAWBACK RATES IN RESPECT OF GOODS TAKEN
INTO USE AFTER IMPORTATION

[Notification No. 19-Cus., dt. 6-2-1965]

In exercise of the powers conferred by sub-section (2) of section 74 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. 48-Customs, dated the 1st February, 1963, the Central Government hereby fixes the rates mentioned in column (3) of the Table below as the rates at which drawback of import duty shall be allowed in respect of goods used after their importation, which have been out of Customs control for the period specified in the corresponding entry in column (1) of the said Table:

TABLE¹

Sl. No.	Length of period between the date of clearance for home consumption and the date when the goods are placed under Customs control for export	Percentage of import duty to be paid as drawback
(1)	(2)	(3)
1.	Not more than 3 months	95%
2.	More than 3 months but not more than 6 months	85%
3.	More than 6 months but not more than 9 months	75%
4.	More than 9 months but not more than 12 months	70%
5.	More than 12 months but not more than 15 months	65%
6.	More than 15 months but not more than 18 months	60%
7.	More than 18 months	Nil.]

²[x x x]

PROVIDED FURTHER that when any of the goods specified below have been used after their importation into India, drawback of import duty paid thereon shall not be allowed when they are exported out of India.

- (i) Wearing apparel.
- (ii) Tea-chests.
- (iii) Exposed cinematograph films passed by the Board of Film Censors in India.
- (iv) Unexposed photographic films, paper and plates, and X-ray films.

(2) Notwithstanding anything contained in paragraph 1, in respect of a motor car or goods (other than the goods specified in the second proviso to that paragraph), imported by a person for his personal and private use, drawback of duty shall be calculated by reducing the import duty paid in respect of such motor car or goods by 4%, 3%, 2-1/2% and 2% for use for each quarter or part thereof during the period of first year, second year, third year and fourth year respectively:

PROVIDED that where the period aforesaid is more than 2 years, drawback shall be allowed, only if the Board, on sufficient cause being shown, has in that particular case extended the period beyond 2 years:

PROVIDED FURTHER that no drawback shall be allowed if such motor car or goods has or have been used for more than 4 years.

1 Substituted by Notification No. 23/2008-Cus., dt. 1.3.2008.

2 Existing proviso omitted by Noti. No. 23/2008-Cus., dt.1.3.2008. Prior to its omission, it stood as under:
"Provided that where the period referred to in column (1) is more than 24 months, drawback shall be allowed only, if the Commissioner of Customs concerned on sufficient cause being shown, has in that particular case extended the period beyond 24 months."