

**F. DEPB SCHEME****GENERAL EXEMPTION NO. 24****Exemption to imports made against Duty Entitlement Pass Book****[Notfn. No. 96/04-Cus. dt. 17.9.2004 as amended by 27/05, 31/05, 46/05, 77/05]**

In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central Government, being satisfied that it is necessary in the public interest so to do, hereby exempts the goods of description specified in column (2) of the Table below, when imported into India ,-

- (a) from so much of duty of customs leviable thereon under the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) as is in excess of the amount calculated at the rate specified in the corresponding entry in column (3) of the said Table;
- (b) from so much of additional duty leviable thereon under section 3 of the said Customs Tariff Act, as is in excess of the amount calculated at the rate specified in the corresponding entry in column (4) of the said Table;

subject to the following conditions, namely :-

- (i) that the importer has been issued a Duty Entitlement Pass Book by the Licensing Authority in terms of paragraph 4.3 or paragraph 7.9 of the Foreign Trade Policy;
- (ii) that the importer has been permitted credit entries in the said Duty Entitlement Pass Book by the Licensing Authority at the rates notified by the Government of India in the Ministry of Commerce and Industry for the products exported;
- (iii) that the said Duty Entitlement Pass Book is produced before the proper officer of Customs for debit of the duties leviable on the goods, but for exemption contained herein :

Provided that exemption from duty shall not be admissible if there is insufficient credit in the said Duty Entitlement Pass Book for debiting the duty leviable on the goods, but for this exemption.

- (iv) the said Duty Entitlement Pass Book shall be valid for twenty four months from the date of issue or such extended period as may be granted by the Licensing Authority for import and export only, at the port of registration which shall be one of the sea ports at Mumbai, Kolkata, Cochin, Magdalla, Kakinada, Kandla Mangalore, Marmagoa, Chennai, Nhava Sheva, Paradeep, Pipavav, Sikka, Tuticorin, Visakhapatnam, Dahej, Mundhra, Nagapattinam, Okha, Bedi (including Rozi-Jamnagar), Muldwarka and Porbander or through any of the airports at Ahmedabad, Bangalore, Bhubaneswar, Mumbai, Kolkata, Coimbatore, Delhi, Hyderabad, Jaipur, Chennai, Srinagar, Trivandrum, Varanasi, Nagpur, Cochin and Rajasansi (Amritsar) or through any of the Inland Container Depots at Agra, Bangalore, Coimbatore, Delhi, Faridabad, Gauhati, Guntur, Hyderabad, Jaipur, Jalandhar, Kanpur, Ludhiana, Moradabad, Nagpur, Pimpri

(Pune), Pitampur ( Indore ), Surat, Tirupur, Varanasi, Nasik, Rudrapur (Nainital), Dighi ( Pune ), Vadodara , Daulatabad ( Wanjarwadi and Maliwada), Waluj (Aurangabad ), Anaparthi (Andhra Pradesh), Salem, Malanpur, Singanalur, Jodhpur, Kota, Udaipur, Ahmedabad, Bhiwadi, Madurai, Bhilwara, Pondicherry, Garhi Harsaru, Bhatinda, Dappar ( Dera Bassi), Chheharata (Amritsar), Karur, Miraj, Rewari , Bhusawal, Jamshedpur, Surajpur, Dadri and Tuticorin or through the Land Customs Station at Ranaghat, Singhabad, Raxaul, Jogbani, Nautanva (Sonauli), Petrapole and Mahadipur or Special Economic Zone as specified in the notification issued under section 76A of the Customs Act, 1962 (52 of 1962):

Provided that where the expiry of the Duty Entitlement Pass Book falls before the last day of the month, such Duty Entitlement Pass Book shall be deemed to be valid till the last day of the said month:

Provided further that the Commissioner of Customs may, by special order and subject to such conditions as may be specified by him, permit imports and exports from any other sea port, airport, inland container depot or through any land customs station;

- (v) that where the importer does not claim exemption from the additional duty of customs leviable under section 3 of the Customs Tariff Act, 1975 (51 of 1975), he shall be deemed not to have availed the exemption from the said duty for the purpose of calculation of the said additional duty of customs;
- (vi) that the importer shall be entitled to avail the drawback or CENVAT credit of additional duty leviable under section 3 of the said Customs Tariff Act against the amount debited in the said Duty Entitlement Pass Book;
- (vii) that where benefit of exemption from duty is claimed by a person, who is not a Duty Entitlement Pass Book holder, such benefit shall be permissible only against specific amount of credit, not being a provisional credit, transferred by a Duty Entitlement Pass Book holder to such person.

2. This notification shall have effect upto and inclusive of the 30<sup>th</sup> day of September, 2005.

**Table**

S.No.	Description of goods	Standard rate	Additional duty rate
1	2	3	4
1.	Goods other than edible oils	Nil	Nil
2.	Edible oils	50% of applied rate of duty	50% of applied rate of additional duty

Explanation, - For the purposes of this notification, -

- (i) "Foreign Trade Policy" means Foreign Trade Policy 2004-2009 published in the notification of the Government of India in the Ministry of Commerce and

- Industry vide No . 1/2004, dated the 31<sup>st</sup> August, 2004;
- (ii) “Licensing Authority” means the Director General of Foreign Trade appointed under section 6 of the Foreign Trade (Development and Regulation) Act, 1992 (22 of 1992) or an officer authorized by him to grant a licence under the said Act;
  - (iii) “applied rate of duty” means the standard rate of duty specified in the First Schedule to the said Customs Tariff Act with respect to the goods specified in column (2) of the said Table, read with any other notification (for the time being in force) issued in respect of such goods under sub-section (1) of section 25 of the said Customs Act ;
  - (iv) “applied rate of additional duty” means the additional duty leviable under section 3 of the said Customs Tariff Act with respect to the goods specified in column (2) of said Table, read with any other notification (for the time being in force) issued in respect of such goods under sub-section (1) of section 25 of the said Customs Act.

### GENERAL EXEMPTION NO. 24A

**Exemption to specified goods imported under a Duty Entitlement Pass Book issued in terms of paragraph 4.3 of the Export and Import Policy:**

**[Notfn. No. 45/02-Cus. dt. 22.4.2002 as amended by 125/02, 57/03, 84/03, 97/03, 63/04, 95/04, 27/05, 46/05, 77/05, 97/05 ]**

In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central Government, being satisfied that it is necessary in the public interest so to do, hereby exempts the goods of description specified in column (2) of the Table below, when imported into India, –

- (a) from so much of **duty of customs** leviable thereon under the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) as is in excess of the amount calculated at the rate specified in the corresponding entry in column (3) of the said Table;
- (b) from so much of **additional duty leviable** thereon under section 3 of the said Customs Tariff Act, as is in excess of the amount calculated at the rate specified in the corresponding entry in column (4) of the said Table;

subject to the following conditions, namely: -

- (i) that the importer has been issued a **Duty Entitlement Pass Book** by the Licensing Authority in terms of paragraph 4.3 of the Export and Import Policy.
- (ii) the importer has been permitted credit entries in the said Duty Entitlement Pass Book by the Licensing Authority at the rates notified by the Government of India in the Ministry of Commerce for the products exported;
- (iii) the said Duty Entitlement Pass Book is produced before the proper officer of Customs for debit of the duties leviable on the goods but for exemption contained herein :

Provided that exemption from duty shall not be admissible if there is

insufficient credit in the said Duty Entitlement Pass Book for debiting the duty leviable on the goods but for this exemption.

- (iv) the said Duty Entitlement Pass Book shall be valid for twelve months from the date of issue or such extended period as may be granted by the Licensing Authority for import and export only, at the port of registration which shall be one of the sea ports at Mumbai, Kolkata, Cochin, Kandla, Mangalore, Mormagoa, Chennai, Nhava Sheva, Paradeep, Tutucorin, Visakhapatnam, Kakinada, Magdalla, Sikka, Pipavav, Dahej, Mundra, Nagapattinam, Okha, Dharamtar, Bedi (including Rozi-Jamnagar), Muldwarka and Porbander or any of the airports at Ahmedabad, Bangalore, Mumbai, Kolkata, Coimbatore, Delhi, Jaipur, Varanasi, Srinagar, Trivandrum, Hyderabad, Chennai, Bhubaneswar, Nagpur, Cochin, Rajasansi (Amritsar) and Lucknow (Amausi) or any of the Inland Container Depots at Bangalore, Coimbatore, Delhi, Gauhati, Kanpur, Pimpri (Pune), Pitampur (Indore), Moradabad, Ludhiana, Hyderabad, Nagpur, Agra, Faridabad, Jaipur, Guntur, Varanasi, Jodhpur, Salem, Tirupur, Singanalur, Waluj, Surat, Malanpur, Nasik, Rudrapur (Nainital), Kota, Udaipur, Daulatabad (Wanjarwadi and Maliwada), Dighi (Pune), Vadodra, Ahmedabad, Bhiwadi, Madurai, Jalandhar, Meerut, Bhilwara, Pondicherry, Garhi Harsaru, Bhatinda, Dappar (Dera Bassi), Chheharata (Amritsar), Karur, Miraj, Rewari, Bhusawal, Jamshedpur, Surajpur, Dadri, Tuticorin, Kundli, Bhadohi and Raipur or through the Land Customs Station at Ranaghat, Singhabad Raxaul, Jogbani, Nautanva (Sonauli), Petrapole, Mahadipur, Nepalganj Road, Dawki, Agartala, Sutarkhandi and Amritsar Rail Cargo or Special Economic Zone as specified in the notification issued under section 76A of the Customs Act, 1962 (52 of 1962).

Provided that where the expiry of the Duty Entitlement Pass Book falls before the last day of the month, such Duty Entitlement Pass Book shall be deemed to be valid till the last day of the said month:

Provided further that the Commissioner of Customs may, by special order and subject to such conditions as may be specified by him, permit imports and exports from any other sea port, airport, inland container depot or through a land customs station;

Provided also that in respect of Duty Entitlement Pass Book issued against supplies to a unit in Special Economic Zone (SEZ), this condition shall apply for the purpose of permitting import of goods.

- (v) where the importer does not claim exemption from the additional duty of customs leviable under section 3 of the Customs Tariff Act, 1975 (51 of 1975), he shall be deemed not to have availed the exemption from the said duty for the purpose of calculation of the said additional duty of customs.
- (vi) where benefit of exemption from duty is claimed by a person, who is not a Duty Entitlement Pass Book holder, such benefit shall be permissible only against specific amount of credit transferred by a Duty Entitlement Pass Book holder to such person.

**TABLE**

S.No.	Description of goods	Standard rate	Additional duty rate
1	2	3	4

1.	Goods other than edible oils	Nil	Nil
2.	Edible oils	50% of applied rate of duty	50% of applied rate of additional duty

*Explanation.* – For the purpose of this notification, –

- (i) “Export and Import Policy” means the Export and Import Policy April, 2002 – March, 2007 published vide notification of the Government of India in the Ministry of Commerce No.1/2002-2007, dated the 31<sup>st</sup> March, 2002; and
- (ii) “Licensing Authority” means the Director general of Foreign Trade appointed under section 6 of the Foreign Trade (Development and Regulation) Act, 1992 (22 of 1992) or an officer authorised by him to grant a licence under the said Act.
- (iii) "Special Economic Zone (SEZ)" has the same meaning as assigned to it in paragraph 9.48 of the Export and Import Policy.
- (iv) "applied rate of duty" means the standard rate of duty specified in the First Schedule to the said Customs Tariff Act with respect to the goods specified in column (2) of the said Table, read with any other notification (for the time being in force) issued in respect of such goods under sub-section (1) of section 25 of the said Customs Act;
- (v) "applied rate of additional duty" means the additional duty leviable under section 3 of the said Customs Tariff Act with respect to the goods specified in column (2) of the said Table, read with any other notification (for the time being in force) issued in respect of such goods under sub-section (1) of section 25 of the said Customs Act.

### GENERAL EXEMPTION NO. 25

#### Exemption to imports made against Duty Entitlement Pass Book

[Notfn. No. 34/97-Cus., dt. 7.4.1997 as amended by Notfn. Nos. 44/97, 66/97, 87/97, 65/98, 104/98, 52/99, 81/99, 121/99, 1/00, 5/00, 120/00, 30/01, 122/01, 113/02, 125/02, 84/03, 97/03, 63/04, 95/04 and 27/05]

In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central Government, being satisfied that it is necessary in the public interest so to do, hereby exempts the goods of description specified in column (2) of the Table below, when imported into India, –

- (1) from so much of **duty of customs** leviable thereon under the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) as is in excess of the amount calculated at the rate specified in the corresponding entry in column (3) of the said Table;
- (2) from so much of **additional duty leviable** thereon under section 3 of the said Customs Tariff Act, as is in excess of the amount calculated at the rate specified in the corresponding entry in column (4) of the said Table;

subject to the following conditions, namely: -

- (i) that the importer has been issued a **Duty Entitlement Pass Book** by the Licencing Authority in pursuance of paragraph 7.25 read with paragraph 7.29 of the Export and

Import Policy (hereinafter referred to as said Duty Entitlement Pass Book).

- (ii) The importer has been permitted credit entries in the said Duty Entitlement Pass Book at the rates notified by the Government of India in the Ministry of Commerce for the products exported or has been allowed a provisional credit in the said Duty Entitlement Pass Book by the Licencing authority to be set-off by the credits earned on exports to be subsequently effected;
- (iii) The said Duty Entitlement Pass Book is produced before the proper officer of Customs for debit of the duties leviable on the goods but for exemption contained herein:

Provided that exemption from duty shall not be admissible if there is insufficient credit in the said Duty Entitlement Pass Book for debiting the duty leviable on the goods but for this exemption.

- (iv) The said Duty Entitlement Pass Book shall be valid for twelve months from the date of issue, or such extended period as may be granted by the Licensing Authority for import and export only at the port of registration which shall be one of the sea ports of Mumbai, Calcutta, Cochin, Kandla, Mangalore, Marmagoa, Chennai, Nhava Sheva, Paradeep, Tuticorin, Visakhapatnam, Kakinada, Magdalla, Sikka, Pipavav, Dahej, Mundra, Nagapattinam, Okha, Dharamtar, Jamnagar and Muldwarka or any of the airports at Ahmedabad, Bangalore, Mumbai, Calcutta, Coimbatore, Delhi Jaipur, Varanasi, Srinagar, Trivandrum, Hyderabad, Chennai, Bhubaneswar, Nagpur & Cochin or any of the Inland Container Depots at Bangalore, Coimbatore, Delhi, Gauhati, Kanpur, Pimpri (Pune), Pitampur (Indore), Moradabad, Ludhiana, Hyderabad; Nagpur, Agra, Faridabad, Jaipur, Guntur, Varanasi, Jodhpur, Salem, Tirupur, Singanalur, Waluj, Malanpur and Surat: Nasik, Rudrapur (Nainital), Kota, Udaipur, Daulatabad (Wanjarwadi and Maliwada), Dighi (Pune), Vadodra, Ahmedabad, Bhiwadi, Madurai, Jalandhar, Meerut, Bhilwara, Pondicherry, Garhi Harsaru, Bhatinda, Dappar (Dera Bassi), Chheharata (Amritsar), Karur, Miraj, Rewari, Bhusawal, Jamshedpur, Surajpur and Dadri or through the Land Customs Station at Ranaghat, Singhabad, Raxaul, Jogbani, Nautanva (Sonauli), Petrapole and Mahadipur.

Provided that where the expiry of the Duty Entitlement Pass Book falls before the last day of the month, the Duty Entitlement Pass Book shall be deemed to be valid till the last day of the said month;

Provided further that the Commissioner of Customs may by special order and subject to such conditions as may be specified by him, permit imports and exports from any other sea port, airport, inland container depot or through a land customs stations;

- (v) The importer claiming exemption from duties against provisional credit permitted under paragraph 7.35 of 'Export and Import Policy' by the Licencing authorities, executes a bond in such form and for such sum, with such surety or securities as may be prescribed by the Assistant Commissioner of Customs, binding himself to pay on demand duty leviable on goods imported but for the exemption contained herein together with interest at the rate of 15% per annum from the date of clearance in the event of his failure to make exports and earn credits thereon to set off the provisional credits allowed;

*(As per 120(1) of Finance Bill, 2003 the rate of 15% is applicable w.e.f. 7.4.1997)*

Provided that in the case of import against provisional credits, the exemption

shall be permitted only for such goods which are in the nature of inputs required for use in production of goods in the factory of the Duty Entitlement Pass Book holder or in the factory of supporting manufacturer as specified in the said Duty Entitlement Pass Book and such inputs are not transferred, loaned, sold, parted with or disposed of in any manner, even after credits on exports to set-off provisional credits have been earned.

- (vi) Where the importer does not claim exemption from the additional duty of customs leviable under section 3 of the Customs Tariff Act, 1975 (51 of 1975), he shall be deemed not to have availed the exemption from the said duty for the purpose of calculation of the said additional duty of Customs.
- (vii) Where benefit of exemption from duty is claimed by a person, who is not a Duty Entitlement Pass Book holder, such benefit shall be permissible only against specific amount of credit not being a Provisional credit, transferred by a duty Entitlement Pass Book holder to such person.

TABLE

S.No.	Description of goods	Standard rate	Additional duty rate
1	2	3	4
1.	Goods other than edible oils	Nil	Nil
2.	Edible oils	50% of applied rate of duty	50% of applied rate of additional duty

Explanation:- For the purpose of this notification,-

- (i) "Export and Import Policy" means the Export and Import Policy April, 1997– March, 2002 published vide notification of the Government of India in the Ministry of Commerce No.2/1997/2002, dated the 31<sup>st</sup> March, 1997;
- (ii) "applied rate of duty" means the standard rate of duty specified in the First Schedule to the said Customs Tariff Act with respect to the goods specified in column (2) of the said Table, read with any other notification (for the time being in force) issued in respect of such goods under sub-section (1) of section 25 of the said Customs Act;
- (iii) "applied rate of additional duty" means the additional duty leviable under section 3 of the said Customs Tariff with respect to the goods specified in column (2) of the said Table, read with any other notification (for the time being in force) issued in respect of such goods under sub-section (1) of section 25 of the said Customs Act.

### GENERAL EXEMPTION NO. 25A

#### Exemption to goods from Customs duty and additional duty when imported against Duty Entitlement Pass Book.

[Notfn. No. 89/05-Cus., dated 4.10.2005 as amended by 97/05 and 104/05]

In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central Government, being satisfied that it is necessary in the public interest so to do, hereby exempts the goods of description specified in column (2) of the Table below, when imported into India -

- (a) from so much of duty of customs leviable thereon under the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) as is in excess of the amount calculated at the rate specified in the corresponding entry in column (3) of the said Table;
- (b) from so much of additional duty leviable thereon under section 3 of the said Customs Tariff Act, as is in excess of the amount calculated at the rate specified in the corresponding entry in column (4) of the said Table;

subject to the following conditions, namely :-

- (i) that the importer has been issued a Duty Entitlement Pass Book by the Licensing Authority in terms of paragraph 4.3 or paragraph 7.9 of the Foreign Trade Policy;
- (ii) that the importer has been permitted credit entries in the said Duty Entitlement Pass Book by the Licensing Authority at the rates notified by the Government of India in the Ministry of Commerce and Industry for the products exported;
- (iii) that the said Duty Entitlement Pass Book is produced before the proper officer of Customs for debit of the duties leviable on the goods, but for exemption contained herein :

Provided that exemption from duty shall not be admissible if there is insufficient credit in the said Duty Entitlement Pass Book for debiting the duty leviable on the goods, but for this exemption.

- (iv) the said Duty Entitlement Pass Book shall be valid for twenty four months from the date of issue or such extended period as may be granted by the Licensing Authority for import and export only at the port of registration which shall be one of the sea ports at Mumbai, Kolkata, Cochin, Magdalla, Kakinada, Kandla, Mangalore, Marmagoa, Chennai, Nhava Sheva, Paradeep, Pipavav, Sikka, Tuticorin, Visakhapatnam, Dahej, Mundhra, Nagapattinam, Okha, Bedi (including Rozi – Jamnagar), Muldwarka and Porbander or through any of the airports at Ahmedabad, Bangalore, Bhubaneswar, Mumbai, Kolkata, Coimbatore, Delhi, Hyderabad, Jaipur, Chennai, Srinagar, Trivandrum, Varanasi, Nagpur, Cochin, Rajasansi (Amritsar) and Lucknow (Amausi) or through any of the Inland Container Depots at Agra, Bangalore, Coimbatore, Delhi, Faridabad, Gauhati, Guntur, Hyderabad, Jaipur, Jalandhar, Kanpur, Ludhiana, Moradabad, Nagpur, Pimpri (Pune), Pitampur (Indore), Surat, Tirpur, Varanasi, Nasik, Rudrapur (Nainital), Dighi (Pune), Vadodara, Dulatabad (Wanjarwadi and Maliwada), Waluj (Aurangabad), Anaparthi (Andhra Pradesh), Salem, Malanpur, Singanalur, Jodhpur, Kota, Udaipur, Ahmedabad, Bhiwadi, Madurai, Bhilwara, Pondicherry, Garhi Harsaru, Bhatinda, Dappar (Dera Bassi), Chheharata (Amritsar), Karur, Miraj, Rewari, Bhusawal, Jamshedpur, Surajpur, Dadri, Tuticorin, Kundli, Bhadohi and Raipur or through the Land Customs Station at Ranaghat, Singhabad, Raxaul, Jogbani, Nautanva (Sonauli), Petrapole, Mahadipur, Nepalganj Road, Dawki, Agartala, Sutarkhandi and Amritsar Rail Cargo or Special Economic Zone as specified in the notification issued under section 76A of the Customs Act, 1962 (52 to 1962)

Provided that where the expiry of the Duty Entitlement Pass Book falls before the last day of the month, such Duty Entitlement Pass Book shall be deemed to be valid till the last day of the said month :

Provided further that the Commissioner of Customs may, by special

order and subject to such conditions as may be specified by him, permit imports and exports from any other sea port, airport, inland container depot or through any land customs station;

- (v) that where the importer does not claim exemption from the additional duty of customs leviable under section 3 of the Customs Tariff Act, 1975 (51 of 1975), he shall be deemed not to have availed the exemption from the said duty for the purpose of calculation of the said additional duty of customs;
- (vi) that the importer shall be entitled to avail the drawback or CENVAT credit of additional duty leviable under section 3 of the said Customs Tariff Act against the amount debited in the said Duty Entitlement Pass Book;
- (vii) that where benefit of exemption from duty is claimed by a person, who is not a Duty Entitlement Pass Book holder, such benefit shall be permissible only against specific amount of credit, not being a provisional credit, transferred by a Duty Entitlement Pass Book holder to such person.

2. This notification shall have effect upto and inclusive of the 31<sup>st</sup> day of March, 2006.

**TABLE**

<b>S. No.</b>	<b>Description of goods</b>	<b>Standard rate</b>	<b>Additional Duty rate</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
<b>1.</b>	Goods other than edible oils	Nil	Nil
<b>2.</b>	Edible Oils	50% of applied rate of duty	50% of applied rate of additional duty

Explanation, - For the purposes of this notification,-

- (i) "Foreign Trade Policy" means Foreign Trade Policy 2004-2009 published in the notification of the Government of India in the Ministry of Commerce and Industry vide No.1/2004, dated the 31<sup>st</sup> August, 2004 as amended from time to time;
- (ii) "Licensing Authority" means the Director General of Foreign Trade appointed under Section 6 of the Foreign Trade (Development and Regulation) Act, 1992 (22 of 1992) or an officer authorized by him to grant a licence under the said Act;
- (iii) "applied rate of duty" means the standard rate of duty specified in the First Schedule to the said Customs Tariff Act with respect to the goods specified in column (2) of the said Table, read with any other notification (for the time being in force) issued in respect of such goods under sub-section (1) of section 25 of the said Customs Act;
- (iv) "applied rate of additional duty" means the additional duty leviable under section 3 of the said Customs Tariff Act with respect to the goods specified in column (2) of said Table, read with any other notification (for the time being in force) issued in respect of such goods under sub-section (1) of section 25 of the said Customs Act.