

(b) the conditions stipulated in the opening paragraph are complied with by such jewellery unit :

Provided further that in the event of the unit engaged in manufacture and export of gem and jewellery to whom the silver or gold has been supplied, fails to export the jewellery made out of such silver or gold within the time specified in the Foreign Trade Policy under the respective scheme, the nominated agencies shall deposit duty on the quantity of the silver or gold as the case may be, not contained in the jewellery exported at the rate of duty leviable on the silver or gold as provided in the notification of the Government of India in the Ministry of Finance No. 80/97–Customs, dated the 21<sup>st</sup> October, 1997 within seven days of the expiry of the period within which the said jewellery manufactured out of the said silver or gold was required to be exported.

6. Notwithstanding anything contained in this notification, the said officer may permit the unit engaged in,-

(a) processing of agriculture products referred to in sub-clause (i) of clause (a) of opening paragraph of this notification to take out goods as specified at Sl. Nos. 18 to 30 in Annexure-I; and

(b) production or manufacture or packaging of articles as specified in clause (b) of opening paragraph of this notification to take out goods as specified at Sl. Nos. 12 to 20 in Annexure-II ,

to the fields and farms of contract farmers of the unit for production or in connection therewith; and to bring back the produce to the unit for exports, in accordance with the provisions of Foreign Trade Policy and Handbook of Procedures, Volume-I and subject to the following conditions:-

- (i) the unit shall produce an agreement between it and contract farmer(s) to the said officer;
- (ii) in case of unit other than those which are in existence for less than two years, they shall be required to furnish a bank guarantee equal to the total duty foregone on the goods so transferred to the fields or farms of contract farmers;
- (iii) prior to import of the goods, the unit shall apply to the said officer giving the details, such as, number of contract farmers and location of their farms, measurement of the farms or fields under contract farming, input-output norms of production as fixed by Directorate General of Foreign Trade and their projected requirements and after examination of the such projected requirement, the said officer shall give permission for the import or procurement of the same on annual basis;
- (iv) in case of failure of the unit to bring back the agriculture or horticulture produce so produced in the fields or farms of contract farmers to the unit, as per the norms notified by the Directorate General of Foreign Trade, within the same season or such extended period as may be permitted by the Commissioner of Customs or Commissioner of Central Excise, as the case may be, due to any reason including natural calamity or loss of crop, the unit shall be required to pay the duty equal to the duty foregone on the inputs so taken out to the fields or farms of the contract farmers;
- (v) in respect of goods which has been allowed to be transferred to the fields or farms of the contract farmers, at any point of time as may be decided by the said officer, the unit shall be required to account for the goods so transferred to the fields or farms of the contract farmers;