

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE
DIRECTORATE GENERAL OF FOREIGN TRADE
UDYOG BHAVAN, NEW DELHI

SALC CIRCULAR NO.11/98-99

March 18,1999

To

(I) All Licensing Authorities

(II) All Customs Authorities

Subject : Issue of Licences under Duty Exemption Scheme for the import of Natural Rubber

Attention is invited to SALC Circular No.8/98-99 dated 20th February, 1999 (Copy enclosed) on the above subject. On the operational aspects some clarification have been sought and accordingly following guidelines are issued.

(a) The directions contained in SALC Circular No.8/98-99 dated 20th February 1999 are application only to fresh licences issued under Duty Exemption Scheme on or after 20th February 1999.

(b) The relevant Policy/Procedural aspects of the EXIM Policy and Handbook of Procedure (Vol.I) 1997-2002 shall be followed for the issue of ARO.

(c) Attention is also invited to the provisions of paragraph 7.16 of the EXIM Policy read with paragraph 7.13 of the Handbook of Procedure (Vol.I) 1997-2002 according to which indigenous procurement of an importable item endorsed on duty free licence can also be made without getting an ARO, based on the back-to-back L/C from a Bank. This optional facility shall also be available to the applicants of the duty free licences. The applicants seeking this facility shall give a written option to this effect to the licensing authority concerned, who instead of issuing a ARO shall invalidate the licence suitably with the stipulation that the licensee shall procure the Natural Rubber from STC in accordance with the provision referred to above.

2.This may be brought to the notice of all concerned.

Sd/-

(A.K.M.Chakankar)

Dy Director General of Foreign Trade

For Director General of Foreign Trade