

F.No.1/7/302/97-98/PC.II

Government of India

Ministry of Commerce

Directorate General of Foreign Trade

Udyog Bhavan, New Delhi-11

Policy Circular No.41 (RE-98)/98-99 dated 5.10.1998

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To

- (1) All Licensing Authorities
- (2) All Commissioners of Customs and Central Excise
- (3) The Federation of Indian Export Organisations, New Delhi
- (4) The Export Promotion Councils/Commodity Boards
- (5) All Chambers of Commerce and Industries /Association on the Mailing List

Subject: Value adjustment under Duty Free Licences issued under Exim Policy, 1997-2002

Sir,

Attention is invited to Paragraph 7.7 of Exim Policy, 1997-2002 according to which a Duty Free Licence and the relevant DEEC Book shall specify the aggregate CIF value of imports alongwith other details. A number of representations have been received from various exporters to clarify whether

in the Duty Free Licence/DEEC Book issued after 1.4.97 in terms of Para 7.7 of Exim Policy, 1997-2002, each item of import should specify the value limit or not.

2. The matter has been considered in consultation with the Department of Revenue and it is clarified that it is not necessary to specify value limit for individual item of input in the Advance Licence excepting under following situations:

a) Wherever the quantity of item of import can not be indicated; and

b) If in the Standard input-output norms, the quantity and value of individual inputs is a limiting factor.

3. Now in the light of Public Notice No. 38 (RE:98) dated 15.9.98 value limit for individual item of input is not required to be indicated in DEEC Book also, except as stated in Paragraph 2 above.

4. This issues with the approval of Director General of Foreign Trade.

Yours faithfully,

(L.B.Singhal)

Dy. Director General of Foreign Trade