

Government of India
Department of Commerce
Directorate General of Foreign Trade
Udyog Bhavan, New Delhi-110011

Policy Circular No. 2 (RE-08)/2004-2009

Dated: 16th April, 2008

To

All Regional Authorities;
All Commissioners of Customs;
Exporting Community.

Subject: Clarification regarding Actual User Condition for import of Sugar under Advance Authorisation Scheme.

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1. Attention is invited to the provision contained in paragraph 4.1.5 of FTP wherein it has been stated that the "Advance Authorisation and / or materials imported thereunder will be with Actual User Condition. However, in case of Advance Authorisation wherein the input allowed is Raw Sugar, a special dispensation was allowed vide CBEC letter No. 605/68/2004-DBK dated 21.9.2004, thereby allowing sale of duty free imported raw sugar even before fulfillment of export obligation. The export obligation was allowed to be fulfilled in such cases by the Advance Authorisation holders on 'ton-to-ton' basis instead of 'grain-to-grain' basis required under FTP.
2. The aforesaid facility stands withdrawn from immediate effect for any import of raw sugar against advance licences / authorizations from the date of issuance of this Circular.
3. This issues with the approval of Competent Authority.

Sd/-
(Tapan Mazumder)
Joint Director General of Foreign Trade

(Issued from F. No. 01/94/180/AA-Sugar/AM 09/PC 4)