

Government of India
Ministry of Commerce & Industry
Directorate General of Foreign Trade
Udyog Bhavan, New Delhi.

Policy Circular No. 39/2009-2014

Dated 15th July 2010

To,

**All Regional Authorities;
Trade & Industry**

Subject: Execution of LUT/BG against Import Authorisation issued by import of Restricted Items on Re-export basis.

This refers to the Import Authorisation which are approved for import of restricted items on re-export basis by the EFC. To ensure that goods are re-exported by the importers as declared by them at the time of application for Import Authorisations, it has been decided that Regional Authority (RA) concerned will take LUT/BG from the importers at the time of issuance of such authorization as per the following details:-

1. The status holders and manufacturers with a turnover of 5 Cr and above, shall execute only a LUT for the full import value.
2. Other importers, not covered by Sl.No. 1 above, shall execute LUT for the full import value along with a bank guarantee (BG) for a value of Rs. 1 lakh (one lakh Rupees).
3. LUT / BG should have a minimum validity for a time period covering the re-export time plus six months.
4. LUT/BG should be redeemed by RA as soon as the documentary evidence for re-export of goods is furnished by the importer.
5. This issues with the approval of Competent Authority.

(SHUBHRA)
Joint Director General of Foreign Trade
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(Issued from F.No.01/53/8/484/AM010/N-23/Import Cell)