GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT OF COMMERCE
DIRECTORATE GENERAL OF FOREIGN TRADE

Policy Circular No. **40** (RE-2005)/2004-2009

New Delhi, Dated the 8th December, 2005

To

All Customs Authorities
All Licensing Authorities

Subject: ***Utilisation of Vishesh Krishi Upaj Yojana scrips for imports.***

Attention is invited to Para 3.8.3 of the Foreign Trade Policy which provides that duty credit under the Vishesh Krishi Upaj Yojana may be used for import of inputs or goods provided the same is freely importable under ITC (HS).

2. It has been reported that customs authorities are not permitting the scrips under Vishesh Krishi Upaj Yojana to be utilized for purpose of imports. It is clarified that duty credits issued under Vishesh Krishi Upaj Yojana can be utilized for payment of customs duty on import of inputs and goods which are freely importable. This will include all freely importable items under Chapter 1 to 24 of ITC (HS) Classification of export and import items except the small negative list already notified as given in Appendix- 37B of Handbook of Procedures Vol. I.

3. Import of capital goods however shall not be permitted against Vishesh Krishi Upaj Yojana scrips pending finalization of list of such capital goods which will be notified separately.

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

Sd/-
(M.K.Parimoo)
Dy. Director General of Foreign Trade

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