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Government of India
Ministry of Commerce and Industry
Department of Commerce
Directorate General of Foreign Trade
Vanijya Bhawan

New Delhi, Dated: 19th October 2023

Subject: Amendment in Policy Condition no. 4 of Chapter 84 of schedule 1 (import policy) of ITC (HS), 2022 -reg.

S.O.(E): In exercise of powers conferred by Section 3 and Section 5 of Foreign Trade (Development & Regulation) Act, 1992, read with paragraph 1.02 and 2.01 of the Foreign Trade Policy, 2023, as amended from time to time, and referring to previous Notifications 23/2023 dated 03.08.2023 & Notification 26/2023 dated 04.08.2023, the following changes in Import Policy Conditions are hereby notified:

- 1. Additional conditions are introduced under Policy condition 4 of Chapter 84 of Schedule I of ITC (HS), 2022 as follows:
- vii. IT hardware restricted for Import vide Notification 23/2023 dated 03.08.2023 which are manufactured in Special Economic Zones (SEZ) may be imported into Domestic Tariff Area (DTA) without an Import Authorization, on payment of applicable duties (if any). Activities such as re-packing, labelling, refurbishing, testing, and calibration alone within the SEZ are not considered as manufacturing for the purpose of availing this exemption from Import Authorization.
- viii. Private entities importing the said IT Hardware for supply to
 - a. Central Government or agencies, undertakings owned and controlled by the Central Government, for Defence or Security purposes;
 - State Government for Security purposes;

are exempt from requiring an import authorization. However, these private entities at the time of import, must provide to the Customs Authorities, a valid End User Certificate issued by the relevant government entity.

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2. Policy Condition 4(iv) of Chapter 84 of Schedule-I of ITC(HS) 2022 is amended as follows -

Revised Condition Existing Condition Exemption from import authorisation is Exemption from import licence is provided provided up to 20 items per consignment for for up to 20 such items per consignment for and Benchmarking the purpose of R&D, Testing, Benchmarking R&D, Testing, Evaluation, Product Development purposes. and Evaluation, repair and re-export, Exemption is further provided for import Product Development purposes. Given imports shall be allowed subject to condition return and/or and/or repair for replacement of IT Hardware sold earlier that the imported goods shall be used for the as well as re-import of such items repaired stated purposes only and will not be sold. abroad on self-certification basis. Further, after the intended purpose, the products would either be destroyed beyond use or re-exported.

Effect of the Notification: Import of IT Hardware manufactured in SEZ into DTA shall be exempt from an Import Authorisation. Import by private entities on behalf of Central & State Government Entities, for Defence & Security purposes, shall be exempt from an Import Authorisation.

This is issued with the approval of Minister of Commerce & Industry.

(Santosh Kumar Sarangi)

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