

TO BE PUBLISHED IN THE GAZETTE OF INDIA EXTRAORDINARY

PART-II, SECTION-3, SUB SECTION (ii)

GOVERNMENT OF INDIA

MINISTRY OF COMMERCE AND INDUSTRY

NOTIFICATION No. 16 / 2002-07

NEW DELHI: the 8<sup>th</sup> October , 2002,

In exercise of powers conferred by Section 5 of the Foreign Trade (Development and Regulation) Act, 1992 (No. 22 of 1992) read with paragraph 1.1 of the Export and Import Policy, 2002-07, the Central Government hereby amends/corrects the Export and Import Policy, 2002-07 as under:

1. Paragraph 4.1.8 pertains to Advance Release Orders. It has been decided to permit Advance Release Orders against an Advance Licence for Intermediate Supplies also. Hence the first sentence of paragraph 4.1.8 is amended by deleting the expression "(except Advance Licence for intermediate supply)". The amended version of this para would be as under:

*An Advance Licence holder and holder of DFRC intending to source the inputs from indigenous sources / state trading enterprises/ EOU/ EPZ/ SEZ/ EHTP/ STP units in lieu of direct import has the option to source them against Advance Release Orders denominated in foreign exchange / Indian rupees. The transferee of a DFRC shall also be eligible for ARO facility.*

2. Paragraph 4.1.9 pertains to Back-to-Back Inland Letter of Credit.. It has been decided to permit Back-to-Back Inland Letter of Credit against an Advance Licence for Intermediate Supplies also. Hence the first sentence of paragraph 4.1.9 is amended by deleting the phrase " (except Advance Licence for intermediate supply)". The amended version of this para is as under:

*An Advance Licence holder and holder of DFRC may, instead of applying for an Advance Release Order, avail of the facility of Back-to-Back Inland Letter of Credit in accordance with the procedure specified in Handbook (Vol.1).*

This issues in public interest.

Sd/

(L.Mansingh)

Director General of Foreign Trade

Ex officio Addl Secretary to the Government of India

(A.B.Menon)

Dy. Director General of Foreign Trade

(F.No: 01/94/180/20/AM03/PC-IV)