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

GOVERNMENT OF INDIA

MINISTRY OF COMMERCE

NOTIFICATION NO.5 (RE-99) 1997-2002

NEW DELHI: 19th April, 1999

In exercise of powers conferred by section 5 of the Foreign Trade (Development and Regulation) Act, 1992 (No. 22 of 1992) read with paragraph 1.3 of the Export and Import Policy, 1997-2002 (incorporating amendment made upto 31.3.99), the Central Government hereby makes following amendments in the Export and Import Policy, 1997-2002: (incorporating amendment made upto 31.3.99).

1. The main heading of chapter 4 shall be corrected to read as "GENERAL PROVISIONS REGARDING EXPORTS AND IMPORTS'.

2. The words and expression 'HS Classification of Exports and Import items' appearing after the words and expression ' ITC(HS) Classifications of Export and Imports items' in paragraph 4.1 and 4.10 shall stand deleted.

3.The table given under paragraph 6.2 shall be corrected to read as under:

Customs Duty	Export Obligation		Period
	FOB Basis	NFE Basis	

10%	4 times CIF value of capital goods	Not applicable	5 years
Zero duty (in case CIF value is Rs.20 cr. or more)	6 times CIF value of capital goods	5 times CIF value of capital goods	8 years
a) Zero duty in case CIF value is Rs.1 Cr. or more for electronics, food processing, textiles, plastic leather, sports goods, gem & Jewellery sectors and produce and products of agriculture, aquaculture, animal Husbandry, floriculture, horticulture, pisciculture, viticulture, poultry, Sericulture. Bio-technology sector, the following sub–sectors of Engineering sectors; Machine tools, parts & accessories thereof; automotive components and accessories; bicycle parts and accessories; handtools, cutting and	6 times CIF value of Capital goods	5 times CIF value of Capital goods	6 years

small tools; castings and forgings (ferrous and non-ferrous) all sorts; pumps, electric motors and parts thereof, fasteners, all types (ferrous and non-ferrous); bright bars and shafting; scientific and surgical instruments and the following sub sectors of chemicals; Drug and drug intermediates, Dyes and Dyes intermediate, inorganic chemicals, organic chemicals (b) Zero duty in case CIF value is Rs.10 lakhs or more for Software sector	6 times CIF value of capital goods	5 times CIF value of capital goods	6 years

4. The word ‘average’ appearing in second sub paragraph 7.4A shall stand deleted.

This issues in public interest.

(N.L.Lakhanpal)

Director General of Foreign Trade and ex-officio

Additional secretary to the Government of India

(Ajay Sahai)

Jt. Director General of Foreign Trade