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(PART-I, SECTION-1)

GOVERNMENT OF INDIA

MINISTRY OF COMMERCE

PUBLIC NOTICE NO.33 (RE-99) /1997-2002

NEW DELHI: 1st October, 1999

In exercise of powers conferred under paragraph 4.11 of the Export and Import Policy, 1997-2002, as notified in the Gazette of India extraordinary, Part-II- Section 3 – Sub- section (ii) vide S.O No. 283(E) dated 31.3.97, the Director General of Foreign Trade hereby makes the following amendment in the Handbook of Procedures (Vol.1) (RE-99), 1997-2002.

1.Paragraph 6.8 shall be amended to read as under:

The applicant may apply for EPCG licence to the competent authority on the basis of self declaration subject to final fixation of nexus by Hqrs. EPCG Committee as per the financial power given in table below. The applicant shall give an undertaking that in case the Hqrs. EPCG Committee disallows the capital goods including Jigs, Fixtures, Dies, Moulds and spares, the licence holder shall pay Customs duty together with 24% interest on such goods. The competent authority, after issuance of the licence, shall forward a copy of the application alongwith a copy of the licence to the Hqrs. EPCG Committee for its approval within 7 days of the issuance of the licence.

CIF value	Competent Authority
Upto Rs.2 crore	Regional Licensing Authority concerned
Above Rs.2 crore and upto Rs.10 crore	Zonal licensing authority concerned as given in Appendix- 28.
Above Rs.10 crore but upto Rs.20 crore	DGFT, New Delhi
Above Rs.20 crore	Commerce Secretary

Alternatively, the applicant can apply to Hqrs. EPCG Committee for obtaining a licence after approval by the Committee. However, in cases where the value of the licence is more than Rs.20 crore, such cases, though applied to DGFT, shall be placed before the Committee of Secretaries.

2. Paragraph 6.8(B) incorporated by Public Notice No.29 dated 1.9.99 stands deleted.

3. Paragraph 7.6 shall be amended to read as under:

In the case of newcomers, who have not availed any licence under the Exim Policy, first duty free licence upto Rs.25 lakhs may be granted by the licensing authority in accordance with the policy.

Thereafter, duty free licences may be granted only after verifying the bonfides and antecendents of the applicant to ensure the genuineness and existence of the firm. For this purpose, the applicant shall be asked to produce a copy of the any one of the document, namely, Income Tax Return/Sales Tax Return/ Central Excise Certificate/ Registration certificate from the concerned authority/Administrative Ministry/Photocopy of the passport of the Director/Partner/Proprietor/ Trustee or any other documentary evidence to the satisfaction of the licensing authority.

Wherever the initial application has been filed for a CIF value of more than Rs.25 lakhs and the licence has been restricted to Rs.25 lakhs, such licence after verification may be enhanced for a value originally applied for or as approved by the competent authority.

In such cases of exporters who have not availed any licence under the Exim Policy but have exported in the preceding three licensing years, advance licence may be issued for a CIF value not exceeding average fob value in preceding three licensing year.

ii) Such expoters shall be issued advance licence subject to furnishing 100% Bank Guarantee to Customs authority to cover exemption from customs duties. Specific endorsement to this effect shall be made in the licence/DEEC.

iii) Such exporters shall be issued second and subsequent licences only after fulfilling 50% of the export obligation on previous licences.

4.The first sentence of second paragraph of paragraph 7.5 shall be amended to read as under:

The CIF value of one or more such licences shall not exceed 100% of the fob value of preceding years exports subject to a minimum of Rs.50 lakhs.

5.The following shall be added at the end of paragraph 7.5:

In such cases where the export obligation is completed pending fixation of norms by SALC, the entitlement for the licence as given in second paragraph may be recredited upon production of documentary evidence showing fulfilment of export obligation and realisation of foreign exchange in respect of the previous licences. However, bond waiver/ redemption shall not be allowed pending fixation of norms in such cases.

6.The word and expression "Dabolin Airport, Goa" shall be included before the word and expression "Hyderabad" in the first sentence of paragraph 8.40.

7.The following shall be added as paragraph 9.39:

Debonding of capital goods imported as second hand shall not be allowed under EPCG Scheme. Moreover, no debonding on payment of applicable duties shall be allowed in respect of second hand capital goods imported on or after 1.4.99 for a period of atleast 3 years from the date of imports.

8.The word and expression "Zonal EPCG Committee/Regional EPCG Committee" appearing in Appendix-28 shall be amended to read as "Zonal licensing authority/Regional licensing authority".

9.The following amendments shall be made in Appendix-11B, under the heading "The documents to be enclosed with the application form" ,

a) The S.No.1 of the Application form for grant of duty free licence under Duty Exemption Scheme shall be amended to read as under:

"Please see paragraph 7.3, 7.4, 7.5 and 7.6 of the Policy and paragraph 7.2, 7.3, 7.4, 7.5 and 7.11 of this Handbook (Vol.1)".

b) The following shall be added at the end of S.No.6 of "Declaration/Undertaking"

(This is applicable only for the applications under paragraph 7.5 of the Handbook (Vol.1).

c) The following amendment shall be made under the heading "Documents to be enclosed with the application form".

1. Bank Receipt (in duplicate) /Demand Draft evidencing payment of application fee in terms of Appendix-34.

2.Self certified copy of valid RCMC.

3.Project Authority Certificate in cases of application for Special Imprest Licence and a copy of invalidation letter in case of application for Advance Intermediate Licence.

10.The following amendment shall be made in the last sentence of paragraph 10.11:

However, supply of goods required for setting up of any mega power projects specified in list 33 of Department of Revenue notification No.20/99 dated 28.2.99, as amended from time to time, shall be eligible for deemed exports benefits as mentioned in paragraph 10.3(a)(b)(c) & (d) of the Exim Policy, if such mega power project is - (a) an inter state thermal power plant of a capacity of 1000 MW or more; or (b) an inter-state hydel power plant of a capacity of 500 MW or more-as certified by an officer not below the rank of a Joint Secretary, Government of India in the Ministry of Power.

11.The following amendment shall be made in paragraph 10.12:

a).The last sentence of first sub paragraph shall be amended to read as under:

Similarly, the deemed exports benefits to the sub contractor would be available to the extent of goods that are manufactured and supplied by him or outsourced from other manufacturers, for the value as indicated in Appendix-14A of Handbook (Vol.1).

b).The word "entire" appearing in second sub-paragraph stands deleted.

12.The last sentence in paragraph 2 of Appendix-14A against " * " may be amended to read as under:

Relevant only for contract at paragraph 1(a), (b), (d), (e) and (f).

13.The following amendment shall be made in Appendix-27:

a) column 4 against S.No.20 shall be amended to read as under

West Bengal, Sikkim, Tripura, and Union Territory of Andaman and Nikobar.

b) Column 4 against S.No.24 shall be amended to read as under:

Meghalaya and Mizoram.

14. The following shall be added as paragraph 8 in Appendix 16-F:

High Grade Iron Ore

Proposal for export of high grade i.e 64% Fe Iron ore and above except iron Ore of Goa origin and Redi origin are presently canalized through MMTC and its export would be subject to annual quantity allocation by the Board of Approval.

15. The following shall be added as an agency under Appendix-32A:

22. SGS India Limited,

Usha House

210, Okhla Industrial Estate,

Phase-III

New Delhi-110020

Tel: 011-6824178/182/781/941/952/954

6929672/73/74/75

16. The following shall be added at the end of paragraph 15.15:

Similarly, in such cases where the goods are handed over to the customs authorities before the expiry of the export obligation period but actual exports takes place after expiry of the export obligation period, such exports shall be considered within the export obligation period and taken towards fulfilment of export obligation.

17. The last sentence of sub paragraph (b) of paragraph 15.4 shall be amended to read as under:

provided, however,, the licensing authority issuing the IE code may condone the delay on payment of a penalty of Rs.5000/-

18. The following shall be added as an agency in Appendix 51-B under the heading "Maharastra" in the list of agencies authorised to issue "Certificate or Origin for the non preferential".

Marathwada Industries Association,

Bajaj Bhavan, P-2, MIDC, Station Road,

Aurangabad-431 005

Tel: (0240) - 324509/355090

Fax: (0240)- 333029

This issues in public interest.

Sd/-

(N.L.Lakhanpal)

Director General of Foreign Trade

(A.K.Srivastava)

Dy.Director General of Foreign Trade

(F.No.94/180/197/AM00/PC-IV)