

G.S.R. (E).- In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central Government, being satisfied that it is necessary in the public interest so to do, hereby exempts goods of the description specified in column (1) of the Table annexed hereto, from the payment of so much of the customs duty leviable thereon as is specified in column (3) of the said Table, subject to the limitations and conditions specified in column (2) thereof, namely: -

TABLE

Description of goods	Limitations and conditions	Extent of exemption
(1)	(2)	(3)
Machinery, equipment or tools, falling under Chapters 84,85,90 or any other Chapter of the First Schedule to the Customs Tariff Act,1975 (51 of 1975).	<p>(1) the goods have been taken on lease by the importer for use after importation;</p> <p>(2) the importer makes a declaration at the time of import that the goods are being imported temporarily for execution of a contract;</p> <p>(3) the said goods are re-exported within six months of the date of importation or within such extended period not exceeding one year from the date of importation, as the Assistant Commissioner of Customs or Deputy Commissioner of Customs, as the case may be, may allow;</p> <p>(4) where the Assistant Commissioner of Customs or Deputy Commissioner of Customs, as the case may be, grants extension of the aforesaid period for re-export, the importer shall pay the difference between the duty payable under clause (ii) in column (3) and the duty already paid at the time of importation; and</p> <p>(5) the importer executes a bond, with a bank guarantee, undertaking –</p> <p>(a) to re-export the said goods within six months of the date of importation or within the aforesaid extended period;</p> <p>(b) to produce the goods before the Assistant Commissioner of Customs or Deputy Commissioner of Customs for identification before re-export;</p> <p>(c) to pay the balance of duty, along with interest, at the rate fixed by notification issued under section 28AB of the said Customs Act, 1962, for the period starting from the date of importation of the said goods and ending with the date on which the duty is paid in full, if the re-export does not take place within the stipulated period.</p>	<p>(i) in the case of goods which are re-exported within six months of the date of importation, so much of the duty of customs as is in excess of the amount calculated at the rate of fifteen per cent. of the aggregate of the duties of customs, which would be leviable under the said Customs Act, 1962 or under any other law for the time being in force, read with any notification for the time being in force in respect of the duty so chargeable;</p> <p>(ii) in the case of goods which are re-exported after six months, but within one year, of the date of importation, so much of the duty of customs as is in excess of the amount calculated at the rate of thirty per cent. of the aggregate of the duties of customs, which would be leviable under the said Customs Act, 1962 or under any other law for the time being in force, read with any notification for the time being in force in respect of the duty so chargeable.</p>

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