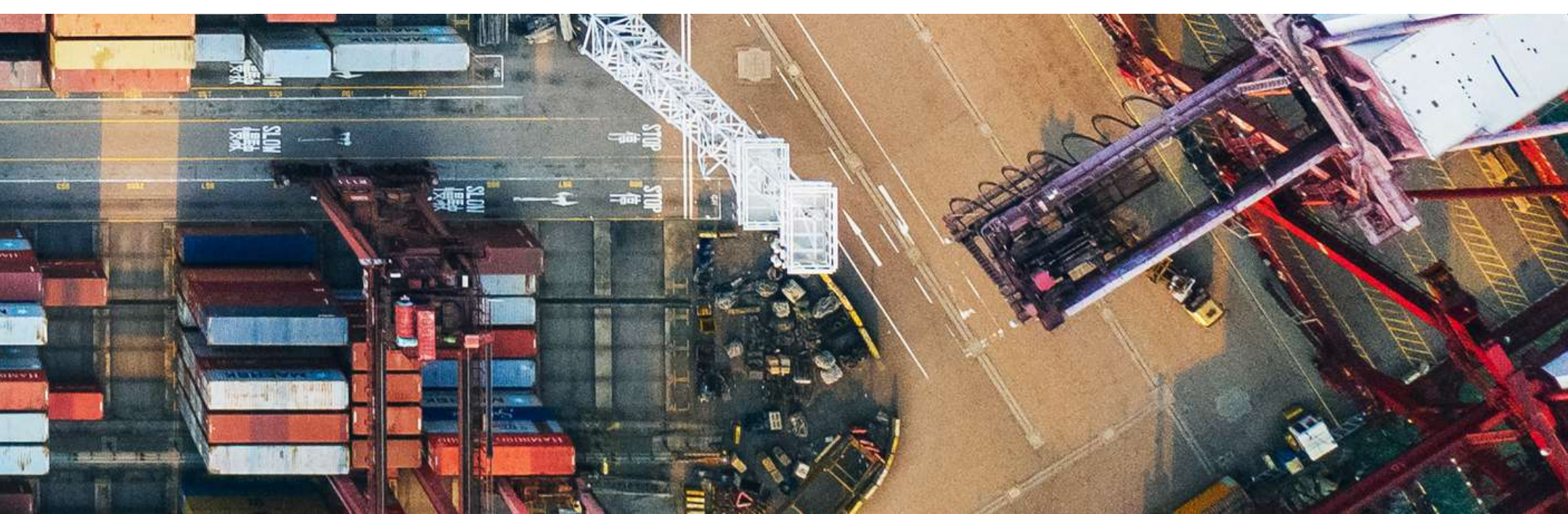




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**The CBIC Issues Notification in Regard to Exempted Materials Imported Into India Against a Valid Authorisation Under Certain Conditions**





On 01st April 2023, the Central Board of Indirect Taxes and Customs (CBIC) issued a notification in Regard to the exemption of materials being imported into India against a valid Advanced Authorisation, which is issued by the Regional Authority from the whole of the duty of customs, the additional duty, integrated tax, goods, and service tax, compensation cess, safeguard duty, countervailing duty, and the anti-dumping duty leviable thereon subject to certain conditions.

The notification states the following -

- That the said authorisation is produced before the proper officer of customs at the time of clearance for the debit of the quantity and value of imports
- That the said authorisation is issued with respect to Standard Input Output Norms (SION) fixed and bears the following, namely -
  - 1.the name and address of the importer and the supporting manufacturer in cases where the authorisation has been issued to a merchant exporter.
  - 2.the shipping bill numbers and dates and descriptions, quantity and value of exports of the resultant product in cases where import takes place after fulfilment of the export obligation.
  - 3.the description, Cost Insurance Freight value, and other specifications of the imported materials and the description, quantity, and Free on Board value of exports of the resultant product covered under an export product group specified in the Hand Book of Procedures, in such cases where import takes place before fulfilment of the export obligation.
- That in respect of imports made prior to the discharge of an export obligation, the importer executes a bond with such surety or security and in such form and for such sum as may be specified by the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be, binding himself to pay on demand an amount equal to the duty leviable, but for the exemption contained herein, on the imported material.

- That in respect of imports made after the discharge of an export obligation, if the Cenvat Credit facility under the Cenvat Credit Rules, 2017, is used, then the importer shall, at the time of clearance of the imported materials, furnish a bond to the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be, binding himself to use the imported materials in his factory or the factory of his supporting manufacturer for the manufacture of dutiable goods and to submit a certificate, from the jurisdictional Central Excise officer or from a specified chartered accountant within six months from the date of clearance of the said materials, that the imported materials have been used.
- That the importer produces evidence of discharge of the export obligation to the satisfaction of the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as applicable, within sixty days of the expiry of the period allowed for fulfilment of the export obligation, or within the such extended period as the said Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be.
- That any bond required to be executed by the importer in relation to the said authorization issued to a manufacturer exporter or merchant exporter shall be executed jointly by the manufacturer exporter or merchant exporter as the case may be and the supporting manufacturer binding themselves jointly and severally to comply with the conditions specified.



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