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GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
(CENTRAL BOARD OF INDIRECT TAXES AND CUSTOMS)

Notification
No. __/2019 - Customs (N. T.)

New Delhi, the __ May, 2019

G.S.R. (E). - In exercise of the powers conferred by section 156 of the Customs Act, 1962 (52 of 1962), the Central Government hereby makes the following rules to amend the Customs (Import of Goods at Concessional Rate of Duty) Rules, 2017, namely: -

1. **Short title and commencement.** — (1) These rules may be called the Customs (Import of Goods at Concessional Rate of Duty) (Amendment) Rules, 2019.

(2) They shall come into force on the date of publication in the Official Gazette.

2. In the Customs (Import of Goods at Concessional Rate of Duty) Rules, 2017 (hereinafter referred to as the 'said rules'), in rule 3,

(i) clause (d) shall be substituted as below:

"(d) "Jurisdictional Custom Officer" means an officer of Customs of a rank equivalent to the rank of Superintendent or an Appraiser exercising jurisdiction over the premises of the importer where the imported goods **as well as** job worked imported goods shall be put to use for manufacture or **where the imported goods shall be put to use for rendering output services**";

(ii) after clause (d), clause (da) shall be inserted as below:

"(da) "job work" means any treatment or process, consistent with the purposes of the exemption notification, undertaken by a person on goods belonging to the importer and the term "job worker" shall be construed accordingly";

(iii) clause (e), shall be substituted as below:

"(e) "manufacture" means the processing/treatment of raw material or inputs in any manner that may result in emergence of a new product having a distinct nature or character or use or name and such activity is carried out by the importer who has imported the goods or the job worker and the term "manufacturer" shall be construed accordingly";

3. In the said rules, rule 4, shall be substituted as below:

“4. Information about intent to avail benefit of exemption notification.— An importer

who intends to avail the benefit of an exemption notification shall provide the information to the Deputy Commissioner of Customs or, as the case may be, Assistant Commissioner of Customs having jurisdiction over his premises where the imported goods **as well as** job worked imported goods shall be put to use for manufacture of goods or **where the imported goods shall be put to use** for rendering output service, **about the following** particulars, namely: -

- (i) the name and address of the importer manufacturer, job worker(s) and service provider;
- (ii) the goods produced/**processes undertaken** at the manufacturing facility of the importer manufacturer and job worker(s);
- (iii) the nature and description of imported **as well as** job worked imported goods used in the manufacture of goods at different stages **at the premises of the importer**.
- (iv) nature of services rendered with the use of imported goods.

4. In the said rules, in rule 5,

- (i) clause (a) of sub rule (1), shall be substituted as below:

“(a) in duplicate, to the Deputy Commissioner of Customs or, as the case may be, Assistant Commissioner of Customs having jurisdiction over his premises where the imported goods **as well as** job worked imported goods shall be put to use for manufacture of goods or **where the imported goods shall be put to use** for rendering output service, **about** the, estimated quantity and value of the goods to be imported, particulars of the exemption notification applicable on such import and port of import in respect of a particular consignment for a period not exceeding one year; and”

- (ii) in sub rule (2) and (3), for the word, “the premises where the imported goods shall be put to use for manufacture of goods or for rendering output service”, the words, “his premises where the imported goods **as well as** job worked imported goods shall be put to use for manufacture of goods or **where the imported goods shall be put to use for rendering output service**”, shall be substituted;

5. In the said rules, in rule (6),

- (i) “(6)” shall be read as “6”;
- (ii) in sub-rule (1), for the words, “his premises where goods shall be put to use for manufacture”, the words, “the premises, where the imported goods shall be put to use for manufacture or job work, as the case may be or where the imported goods shall be put to use for rendering service”, shall be substituted;
- (iii) sub rule (2) shall be substituted as below:

“(2) The importer who has availed the benefit of an exemption notification shall maintain an account in such manner so as to clearly indicate the quantity and value of goods imported, the quantity of imported goods consumed in accordance with provisions of the exemption notification, the quantity of goods sent for job work, nature of job work carried out, quantity of goods received after job work, the quantity of goods re-exported, if any, under rule 7 and the quantity remaining in stock, bill of entry wise and shall produce the said account as and when required by the Deputy Commissioner of Customs or, as the case may be, Assistant Commissioner of Customs **having jurisdiction over his premises where the imported goods **as well as** job worked imported goods shall be put to use for manufacture of goods or **where the imported goods shall be put to use** for rendering output service**”

goods or where the imported goods shall be put to use for rendering output service.”;

(iv) sub rule (3) shall be substituted as below:

“(3) The importer who has availed the benefit of an exemption notification shall submit a quarterly return, in the Form appended to these rules, to the Deputy Commissioner of Customs or, as the case may be, Assistant Commissioner of Customs **having jurisdiction over his premises where the imported goods as well as job worked imported goods shall be put to use for manufacture of goods or where the imported goods shall be put to use for rendering output service**, by the tenth day of the following quarter.”.

6. In the said rules, after rule (6), rule 6A shall be inserted as below:

“6A. Procedure for allowing the imported goods for job work. - (1) The importer who has availed the procedure prescribed in rules 5 and 6 above respectively, may send the imported goods for job work purposes for manufacture of goods after giving an intimation in duplicate to the jurisdictional customs officer of the intention to do so.

(2) The importer, while giving the intimation referred to in sub-rule (1), shall in addition specify the following particulars-

- (i) the name and address of the job worker;
- (ii) the nature and description of the job work to be carried on, the imported goods **as well as** the job worked imported goods, in the manufacturing process.
- (iii) the quantity and description of the goods being sent to the job worker.

(3) The jurisdictional customs officer of the premises of the importer shall forward a copy of the intimation along with the relevant particulars to the jurisdictional customs officer under whose jurisdiction the premises of the job worker falls.

(4) The jurisdictional customs officer of the premises of the importer while examining the intimation referred to in sub-rule (1) shall satisfy himself that the entire manufacturing process is not outsourced to the job worker.

Explanation. - Entire manufacturing process shall mean the **manufacturing processes involved in manufacture of the end product** specified in the relevant exemption notification for availing the concessional rate of duty subject to observance of these rules.

(5) The importer shall send the goods to the premises of the job worker under the cover of a challan or direct the job worker to send the job worked imported goods to another job worker under the cover of his challan endorsed by the job worker or the challan of the job worker. The challan should mention description and quantity of the goods. The maximum period for which the goods can be sent to the job worker would be six months. In case the importer, is unable to establish that the goods sent for job work have been used as per the particulars of job work referred in sub-rule (2), the jurisdictional customs officer of the importer shall take necessary action as provided under these rules.

(6) The job worker shall maintain a simple account of receipt of goods and the manufacturing process carried thereon. The job worker shall also maintain an account of the wastage generated while carrying out the job work. The job worker shall produce the account details

before his jurisdictional customs officer as and when required by the said officer.

(7) The job worker shall after completion of the job work resend the processed goods to the importer or another job worker as directed by the importer for carrying out the remaining processes, if any under the cover of a challan or the challan of the principal manufacturer duly endorsed by him.

(8) Notwithstanding sending of goods to the job worker, the importer shall be responsible for ensuring that the said goods are used in accordance with the purposes provided in the exemption notification. In the event of failure to do so, the customs officer exercising jurisdiction over the premises of the importer shall take action as provided under these rules, without prejudice to any other action that may be taken under any other law for the time being in force.

7. In the said rules, rule 7 shall be substituted as below:

“7. Re-export or clearance of unutilised or defective goods.- (1) The importer who has availed benefit of an exemption notification, prescribing observance of these rules may re-export the unutilised or defective imported goods, within six months from the date of import, with the permission of the jurisdictional Deputy Commissioner of Customs or, as the case may be, Assistant Commissioner of Customs **having jurisdiction over his premises where the imported goods as well as job worked imported goods shall be put to use for manufacture of goods or where the imported goods shall be put to use for rendering output service :**

Provided that the value of such goods for re-export shall not be less than the value of the said goods at the time of import.

(2) The importer who has availed benefit of an exemption notification, prescribing observance of these rules may also clear the unutilised or defective imported goods, with the permission of the jurisdictional Deputy Commissioner of Customs or, as the case may be, Assistant Commissioner of Customs **having jurisdiction over his premises where the imported goods as well as job worked imported goods shall be put to use for manufacture of goods or where the imported goods shall be put to use for rendering output service**, within a period of six months from the date of import on payment of import duty equal to the difference between the duty leviable on such goods but for the exemption availed and that already paid, if any, at the time of importation, along with interest, at the rate fixed by notification issued under section 28AA of the Act, for the period starting from the date of importation of the goods on which the exemption was availed and ending with the date of actual payment of the entire amount of the difference of duty that he is liable to pay.”.

8. In the said rules, in rule 8, for the words, “where the imported goods shall be put to use for manufacture of goods or for rendering output service”, the words, “**where the imported goods as well as job worked imported goods shall be put to use for manufacture of goods or where the imported goods shall be put to use for rendering service**”, shall be substituted.

9. In the said rules, after rule 8, rule 8A shall be inserted as below:

“8A. Penalty. - An importer or a job worker, who contravenes any of the provisions of these rules or abets such contravention or who fails to comply with any provision of these rules with which it was his obligation to comply, shall be liable to a penalty which may extend to fifty

thousand rupees. Imposition of penalty under these rules shall be without prejudice to any other action that may be taken under the Act, rules or regulations issued thereunder or under any other law for the time being in force.”.

10. In the said rules, rule 8 appearing last may be read as rule 9.

[F. No.450/28/2016-CusIV]

**(Zubair Riaz)
Director (Customs)**

Note: - The Principal notification No. 68/2017-Customs (N.T.) dated 30th June, 2017 was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 803(E) dated 30th June, 2017.

Form

[See rule 6(3)]

QUARTERLY RETURN

Return for the quarter ending

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