

Special Advance Authorisation Scheme for export of Articles of Apparel and Clothing accessories.

Duty free import of fabric under 'Special Advance Authorisation Scheme for export of Articles of Apparel and Clothing Accessories' shall be allowed, as per Customs Notification issued for this scheme, for export of items covered under Chapter 61 and 62 of ITC(HS) Classification of Export and Import, subject to the following terms and conditions:

- (i) The authorisation shall be issued based on Standard Input Output Norms (SION) or prior fixation of norms by Norms Committee.
- (ii) The authorisation shall be issued for the import of relevant fabrics including inter lining only as input. No other input, packing material, fuel, oil and catalyst shall be allowed for import under this authorisation.
- (iii) Exporters shall be eligible for All Industry Rate of Duty Drawback, for non fabric inputs, as determined by Central Government for this scheme. For the purpose of value addition norm of Para 4.08 of FTP, the value of any other input used on which benefit of Drawback is claimed or intended to be claimed shall be equal to 22% of the FOB value of export realised. Minimum value addition shall be as per Para 4.09 of FTP.
- (iv) Where the exporter desires to claim drawback determined and fixed by Jurisdictional Customs Authority (brand rate), he shall follow Para 4.15 of FTP regarding declarations to be made in application for the authorisation and make export under claim for brand rate. In such cases the value addition shall be as per Para 4.08 of FTP. Minimum value addition shall be as per Para 4.09 of FTP.
- (v) Authorisation, and the fabric imported, shall be subject to actual user condition. The same shall be non transferable even after completion of export obligation. However fabric imported may be transferred for job work in terms of provisions of GSTActs under intimation to the Customs authority at the port of registration (excluding to units located in areas eligible for area based exemption from Central Excise Duty). Invalidation of the Authorisation shall not be permitted.
- (vi) The fabric imported shall be subject to pre-import condition and it shall be

physically incorporated in the export product (making normal allowance for wastage). Only Physical exports shall fulfil the export obligation.

(vii) Provisions of paragraphs 4.02, 4.05(a), 4.13(i), 4.13(ii), 4.14, 4.15, 4.17, 4.19, 4.21(i), 4.21(ii), 4.21 (iii), 4.21(v), 4.22(i), and 4.24 of Foreign Trade Policy shall be applicable in so far as they are not inconsistent with this scheme.