

Import for export

I. (a) Goods imported, in accordance with FTP, may be exported in same or substantially the same form without an Authorisation provided that item to be imported or exported is not in the restricted for import or export in ITC (HS).

(b) Goods, including capital goods (both new and second hand), may be imported for export provided:

- i. Importer clears goods under Customs Bond;
- ii. Goods are freely exportable, i.e., are not “Restricted”/ “Prohibited”/ subject to “exclusive trading through State Trading Enterprises” or any conditionality/ requirement as may be required under Schedule 2 – Export Policy of the ITC (HS);
- iii. Export is against freely convertible currency.

(c) Goods in (b) above will include ‘Restricted’ goods for import (except ‘Prohibited’ items).

(d) Capital goods, which are freely importable and freely exportable, may be imported for export on execution of LUT/BG with Customs Authority.

(e) Notwithstanding the above, goods which are freely importable may be re-exported except items as in the Prohibited or SCOMET List of exports, in same or substantially same form even though such goods are under “restricted list” for export, subject to the following conditions:

- (i) Goods are not of Indian Origin;
- (ii) Goods imported shall be kept in bonded warehouse under supervision of Customs;
- (iii) Goods to be exported have never been cleared for home consumption;
- (iv) Export of goods shall be subjected to Section 69 of Customs Act, 1962.

II. (a) Goods imported against payment in freely convertible currency would be

permitted for export only against payment in freely convertible currency, unless otherwise notified by DGFT.

(b) Export of such goods to the notified countries (presently only Iran) would be permitted against payment in Indian Rupees, subject to minimum 15% value addition.

(c) However, re-export of food, medicine and medical equipments, namely, items covered under ITC(HS) Chapters 2 to 4, 7 to 11, 15 to 21, 23, 30 and items under headings 9018, 9019, 9020, 9021 & 9022 of Chapter-90 of ITC(HS) will not be subject to minimum value addition requirement for export to Iran. Exports of these items to Iran shall, however, be subject to all other conditions of FTP 2015-20 and ITC (HS) 2017, as applicable. Bird's eggs covered under ITC (HS) 0407 & 0408 and Rice covered under ITC (HS) 1006 are not covered under this dispensation, as at II (a) above.

(d) Exports under this dispensation, as at I (e) and II (a), (b) and (c) above shall not be eligible for any export incentives.