



केन्द्रीय उत्पाद तथा सीमा शुल्क के आयुक्त का कार्यालय  
केन्द्रीय राजस्व भवन, आर.जी.गडकरी चौक, नासिक - 422 002

ट्रेड नोटिस नं. 10/2009



विषय :- USE OF DUTY FREE RAW MATERIAL FOR CAPITAL  
GOODS MANUFACTURED WITHIN EOU FOR  
CAPTIVE USE

8/c

उपरोक्त विषय पर भारत सरकार, वित्त मंत्रालय, राजस्व विभाग नई दिल्ली द्वारा

Ac (T)

दिनांक 19.08.2009 की फा.सं. D.G.E.P./E.O.U./57/2009

तहत् जारी परिपत्र / पत्र संख्या 22/2009 - CUS की प्रतिलिपी सूचना  
मार्गदर्शन एवं कार्यवाही के लिए प्राप्त करें।

सभी संबंधित संगठनों / कार्यालयों से अनुरोध है कि वे परिपत्र / पत्र की जानकारी  
अपने सभी सदस्य, निर्माताओं एवं व्यापारियों को दें।

इन्द्र प्रकाश लाल  
(इन्द्र प्रकाश लाल)  
आयुक्त

फा.सं. V (Gen) 27-177/TB/2009

नासिक, दिनांक: 16-9-2009

संलग्न :- यथोपरि।

प्रतिलिपी प्रेषित :- डाक सूची के अनुसार

- मुख्य आयुक्त, केन्द्रीय उत्पाद तथा सीमा शुल्क, नागपूर
- आयुक्त (अपील्स), केन्द्रीय उत्पाद तथा सीमा शुल्क, नासिक
- अपर आयुक्त / संयुक्त आयुक्त, केन्द्रीय उत्पाद तथा सीमा शुल्क, नासिक
- सभी सहायक / उप आयुक्त, केन्द्रीय उत्पाद तथा सीमा शुल्क, नासिक (मु.)
- सभी मंडल प्रभारी, सहायक / उप आयुक्त, मंडल - I II III IV जलगांव, सेवाकर तथा आय.सी.डी. अंबड़, जानोरी, भूसावल
- सभी अनुभाग प्रमुख (मु.)

F.No.:DGEP/EOU/57/2009  
Govt. of India  
Ministry of Finance  
Department of Revenue  
Central Board of Excise & Customs  
Directorate General of Export Promotion

New Delhi, the 19<sup>th</sup> August, 2009

**Sub: Use of duty free raw material for capital goods manufactured within EOU for captive use-reg.**

An Export Oriented Unit has represented regarding difficulties faced in grant of exemption from Customs & Central Excise duty on raw materials common for manufacture of both finished goods and capital goods (e.g. jigs, moulds, dies etc) within the EOU for captive use.

2. The issue has been examined. It is viewed that there may not be any difficulty in allowing duty free import/domestic procurement of raw materials common for the manufacture/production of finished goods as well as for the manufacture of capital goods for use within the unit. The usage of inputs, imported or procured domestically, for manufacture of finished goods is allowed as per Standard Input Output norms (SION) [condition (d) (I) (ii) of opening paragraph of notification No. 52/2003-Cus dated 31.03.2003].

3. Raw materials for making capital goods for use within the unit is allowed vide Sl. No. 16 of Annexure-I of notification No. 52/2003-Cus dated 31.03.2003. Capital goods manufactured out of duty free inputs for use within the EOU are required to be accounted for and bonded as per the usual bonding procedure. While following the into-bond procedure, the value of such capital goods would be assessed by following the computed value method in terms of the Customs valuation Rules, which would inter alia account for the raw material captively consumed in manufacture of capital goods. Such goods would be liable to duty as applicable in case of clearance outside the unit or debonding or exit from EOU scheme. Exemption from payment of duty of excise leviable under section 3 of the Central Excise Act, 1944 vide notification No. 24/2003-CE dated 31.03.2003 shall not be applicable in such cases.

4. Hence, it is clarified that the capital goods manufactured for captive use should be accounted & bonded by following the usual procedure and shall be liable for payment of duty while making clearances outside the unit or debonding or exit from the EOU scheme.

5. This issues with the approval of Central Board of Excise & Customs.

6. Wide publicity may please be given to these instructions by way of issuance of Public/Trade Notice. Difficulties, if any, in implementation of these instructions, may be brought to the notice of the Directorate General of Export Promotion.

7. Receipt of this circular may kindly be acknowledged.

Yours faithfully

(Praveen Mahajan)

Director General