

Notification No. 39/96-Customs

In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central Government, being satisfied that it is necessary in the public interest so to do, hereby exempts goods of the description specified in column (2) of the Table hereto annexed and falling within the First Schedule to the Customs Tariff Act, 1975 (51 of 1975), when imported into India, from the whole of the duty of customs leviable thereon which is specified in the said First Schedule and from the whole of the additional duty leviable thereon under section 3 of the second mentioned Act, subject to the conditions, if any, specified in the corresponding entry in column (3) of the said Table.

Table

S.No.	Description of goods	Conditions
(1)	(2)	(3)
1.	Medals and decorations (including medal ribbons)	If imported directly by the Government of India in the Ministry of Defence.
2.	Personal effects of the persons on duty out of India with the Indian naval, military or air forces or with the Indian Navy	If imported for delivery to the next of kin of such person if he dies or is wounded, is missing or is taken prisoner of war.
3.	* * *	* . *
4.	Bonafide gifts from donors abroad when imported for the maintenance of war graves by an institution	If,- (a) a certificate is produced from the Ministry of Defence that the said goods are intended solely for the purpose of maintenance of war graves; and (b) the head of the importing institution certifies in each case that the said goods are intended only for the above purpose and shall not be sold or disposed of.
5.	Supplies made out of warehoused goods belonging to Air India International	If,- (a) the supplies are made to the two specific 737 aircrafts maintained and operated by the Indian Air Force for use of Government of India for the purpose of certain special assignments; and (b) an officer not below the rank of an Air Vice-Marshal certifies in each case that the said supplies are required for the purpose specified above.
6.	Imported stores purchased out of bonded stocks lying in a warehouse	If,- (a) the imported stores are intended to be supplied free by the

		<p>Government for use of the crew of a ship of the Coast Guard Organisation, in accordance with their conditions of service;</p> <p>(b) a shipping bill in the prescribed form has been presented and the export duties, penalties, rent, interest and other charges payable, in respect of the imported stores have been paid;</p> <p>(c) an order for clearance of the imported stores for taking on board a ship of the Coast Guard Organisation has been made by the proper officer; and</p> <p>(d) the procedure as may be specified by the Commissioner of Customs in this behalf is followed.</p>
7.	<p>Paints; ferrous and non-ferrous metals in any form and articles thereof</p>	<p>if,-</p> <p>(a) the said goods conform to aircraft and aero-space specifications;</p> <p>(b) the said goods are imported for use in the manufacture of aircrafts including helicopters and such manufacture is against an indent from the Ministry of Defence and the aircrafts including helicopters so manufactured are appropriated by the Ministry of Defence;</p> <p>(c) the importer undertakes to store the said goods separately and account for the same to the satisfaction of the Assistant Commissioner of Customs or Deputy Commissioner of Customs;</p> <p>(d) the importer, by execution of a bond in such form and for such sum as may be specified by that Assistant Commissioner, binds himself to pay on demand in respect of such quantity of the said goods, as is not proved to the satisfaction of the said Assistant Commissioner to have been used in the aforesaid manner, an amount equal to the duty leviable but for the exemption contained herein.</p>
8.	<p>Goods imported for trial, demonstration or training before any authority under the Ministry of Defence in the Government of India</p>	<p>If,-</p> <p>(a) a certificate from the Under Secretary to the Government of India in the Ministry of Defence is produced to the Assistant Commissioner of Customs or Deputy Commissioner of Customs, in each</p>

		<p>case, that the goods imported are for the purpose of trial, demonstration or training, and</p> <p>(b) the importer undertakes, in each case, to pay the duty leviable on such goods (except those which are certified by the said Under Secretary as having been consumed in the process of trial, demonstration or training) which are not re-exported by him within a period of six months from the date of importation or within such extended period that the said Assistant Commissioner may allow.</p>
9.	<p>The following goods required for construction of, or fitment to, ships of Indian Navy Coast Guard :-</p> <p>(i) machinery, equipment, components and raw materials;</p> <p>(ii) spares and test equipment for maintenance, testing and tuning of imported equipment;</p> <p>(iii) parts required for manufacture of indigenous equipment by Indian suppliers for supply to Indian Navy Coast Guard.</p>	<p>If imported by the Government of India or by a person authorised by that Government, or shipped on the order of a Department of that Government and appropriated to such order at the time of shipment.</p>
10.	<p>(i) Aircrafts, aircrafts parts, aircraft engines and aircraft engine parts;</p> <p>(ii) Jigs, tools and ground handling equipment of aircrafts for defence use;</p> <p>(iii) Arms, ammunition and military stores;</p> <p>(iv) Tools and gauges which are for use only with ammunition and explosives of service use; ammunition chemicals; electric detonators; fire directing and fire control instruments such as range finders, predictors, platters, computers; sight dial; signal equipment including wireless equipment and component parts thereof, used exclusively by the defence services; test equipment for radars for service use; military bridging stores and</p>	<p>If,-</p> <p>(a) the said goods are imported by the Government of India, the contractors of the Government of India, State Governments, Public Sector Undertakings of the Central Government or the State Governments and the sub-contractors of such Public Sector Undertakings; and</p> <p>(b) in the case of imports by contractors or sub-contractors or Public Sector Undertakings referred above, the importer furnishes at the time of import a duty exemption certificate showing :-</p> <p>(1) the details of the purchase order placed by the Ministry of Defence on</p>

	<p>equipment; ASDIC and ECHO sounding equipment; specialised cameras for Air Force use; mines sweeping gear and parachutes;</p> <p>(v) Radars, torpedoes, sonar sets, mine laying gear, diving equipment and their spares, accessories, jigs, tools, testing equipment and components;</p> <p>(vi) Spare parts, accessories, jigs, tools, testing equipment, components, special raw materials and half wroughts like steel forgings and castings, to be processed into finished components for armoured and specialised vehicles peculiar to the defence services;</p> <p>(vii) Guided weapons and their accessories:</p> <p>(viii) Components, spares, jigs, fixtures, tools, dies, moulds and test equipment required for the manufacture and testing of guided weapons and their accessories;</p> <p>(ix) Raw material and special materials required for the manufacture of guided weapons and their accessories;</p> <p>(x) Rock drills and breakers;</p> <p>(xi) All types of ground support equipment for guided weapons and their accessories.</p>	<p>the contractors or sub-contractors and on the said Public Sector Undertakings and the quantity of the items required to be imported to execute the said order; and</p> <p>(2) the details of the purchase order placed by the said contractors or sub-contractors or the said Public Sector Undertakings, on their foreign suppliers indicating the description and quantity of the items .</p> <p><i>Explanation.</i> -</p> <p>(i) in the case of imports by contractors of the Government of India, who are contractors of Research and Development Laboratories or Establishments under the Ministry of Defence, the certificate shall be signed by the Chief Controller of Research and Development (R) of the said Laboratories or Establishments;</p> <p>(ii) in the case of imports by Public Sector Undertakings of the Central Government under the Ministry of Defence, the certificate shall be signed by the functional Director of such Undertaking; and</p> <p>(iii) in other cases where a certificate is to be furnished by the importer at the time of import in terms of condition (b) above, the certificate shall be signed by an officer not below the rank of a Joint Secretary to the Government of India, in the Ministry of Defence.</p>
11.	<p>(i) Machines, appliances, instruments, parts and equipment required for the construction of, or fitment to, or maintenance of, patrol crafts;</p> <p>(ii) Wireless transmission and receiving sets and their components;</p> <p>(iii) Night vision equipment and their components;</p> <p>(iv) Arms and their components, and ammunition;</p> <p>(v) Omitted.</p>	<p>If,-</p> <p>(a) the goods are imported by the Government of India, or by a person authorised by that Government or shipped on the order of a Department of that Government for use in anti-smuggling operations and are appropriated under such order at the time of shipment, and</p> <p>(b) the importer produces a certificate from the Under Secretary to the Government of India in the Department of Revenue to the effect</p>

	<p>(vi) Radio communication test sets; (vii) Spare parts of patrol crafts; (viii) Spare parts in respect of any of the above items.</p>	<p>that the said goods are intended for use in anti-smuggling operations.</p>
12.	<p>(i) Spedeheat grenades CS, 3-way grenades CN/CS, practice grenades, blast dispersion grenades with two second bouchon, model 34 single blast grenades, one second delay firing mechanism for spede-heat grenades, two seconds delay firing mechanism for three way grenades;</p> <p>(ii) Long range shells CN/CS, short range shells CN/CS, flite rite-shells CN/CS, practice shells CN/CS; (iii) Refills, accessories caps, gas pellets and recapping and decapping machines for practice shells, gas guns and accessories and spare parts for gas guns; (iv) Truncheons, truncheon cartridges, one second bouchons, two second bouchons, chemical mace, aerosol tear gas spray, tear gas billets, paper fog and bullet proof protective vests.</p>	<p>If,- (a) the said goods are imported for the use of Police Force of the States or the Union territories, or the Central Reserve Police Force; and (b) the importer produces a certificate from the Under Secretary to the Government of India in the Ministry of Home Affairs to the effect that the said goods are intended for the aforesaid use.</p>
13.	<p>Machinery, equipment, instruments, fittings, devices, scientific apparatus, components, spares, tools, accessories, computer hardware, computer software, technical know-how (in the form of documents and drawings in the printed media) castings, forgings, pipings, tubings, raw materials and consumables required for the purpose of Advance Technology Vessels Programme (ATVP) of the Ministry of Defence.</p>	<p>If,- (a) the said goods are imported by work centres of the ATVP, Government agencies or public sector undertakings, as may be designated by an officer not below the rank of Deputy Secretary to the Government of India in the Ministry of Defence; and (b) such importers produce to the Assistant Commissioner of Customs or Deputy Commissioner of Customs, at the time of import, in each case, a list of the said goods with their relevant description, duly certified by the Project Director or</p>

		<p>Director of the ATV Programme (of the rank of Rear Admiral of the Indian Navy or of equivalent rank of the Joint Secretary to the Government of India), to the effect that the said goods are required for the ATVP, shall be used only for the ATVP AND that they are not manufactured in India; and</p> <p><i>Explanation.</i>- Nothing contained in this exemption shall have effect on or after the 1st day of January, 2006.</p>
14	<p>Machinery, equipment, instruments, components, jigs, fixtures, dies, tools, raw materials, accessories and spares required for the purposes of Integrated Guided Missile Development Programme (IGMDP) of the Ministry of Defence.</p>	<p>If,-</p> <p>(a) the said goods are imported by authorised works centres of the IGMDP, as may be designated by an officer not below the rank of a Deputy Secretary to the Government of India in the Ministry of Defence; and</p> <p>(b) the authorised work centre produces to the Joint Commissioner of Customs or the Assistant Commissioner of Customs or Deputy Commissioner of Customs, as the case may be, at the time of import, in each case, a list of the said goods with their relevant description duly certified by the Member Secretary, Programme Management Board of the IGMDP, Defence Research and Development Laboratory, Hyderabad to the effect that the said goods mentioned in the list are required for the purposes of IGMDP, and that they are not manufactured in India and that the imports of the said goods mentioned in the said list are authorised by the Ministry of Defence under and for the purposes of the IGMDP and shall be used only for the purposes of the IGMDP.</p> <p><i>Explanation.</i> - Nothing contained in this exemption shall have effect on or after the 1st day of January, 2006.</p>
15.	<p>Machinery, instruments, tools including accessories of such machinery, instruments and tools required for the setting up of ammunition filling facilities in the</p>	<p>If,-</p> <p>(a) the said goods are imported by the General Manager, Ordnance Factory, Badmal, Distt.: Bolangir in Orissa; and</p>

	<p>Ordnance Factory, Badmal, Distt. : Bolangir in Orissa, of the Ministry of Defence.</p>	<p>(b) the importer produces to the Assistant Commissioner of Customs or Deputy Commissioner of Customs, at the time of import, in each case, a list of the said goods with their relevant description duly certified by an officer not below the rank of a Joint Director in the Ordnance Factory Board, Calcutta, to the effect that the said goods mentioned in the list are required for the setting up of ammunition filling facilities in the Ordnance Factory, Badmal, Distt. : Bolangir in Orissa, and that such goods are not manufactured in India and shall be used only for the above purpose in the said factory. <i>Explanation.</i> - Nothing contained in this exemption shall have effect on or after the 1st day of August, 2002.</p>
<p>16.</p>	<p>Ballistic grade aramid fabric, aramid thread, ballistic grade ceramic plate, high performance polyethylene plate, special grade polyurethane paste and special grade thermoplastic film required for the manufacture of bullet proof jackets for supply to the armed forces of the Union under the Ministry of Defence or the Police Forces of the States or the Union Territories.</p>	<p>if,- (a) the importer furnishes to the Assistant Commissioner of Customs or Deputy Commissioner of Customs, at the time of importation, in each case, a list of the said goods, with relevant description and quantities required for the manufacture of such bullet proof jackets; and (b) such list is duly certified by an officer not below the rank of a Joint Secretary to the Government of India :- (1) in the Ministry of Defence, in the case of imports made against an order for supply of such bullet proof jackets to the Armed Forces of the Union under the Ministry of Defence; or (2) in the Ministry of Home Affairs, in case the import is made against an order for supply of such bullet proof jackets to the Police Forces of the States or the Union Territories. <i>Explanation.</i> - Police Forces of the States or the Union Territories shall also include the Central Reserve Police Force, the Indo-Tibetan Border Police Force, the Special Services Bureau, the Border Security Force, the Central Industrial Security Force and the National Security Guards maintained</p>

		or constituted under the Central Reserve Police Force Act, 1949 (66 of 1949), the Indo-Tibetan Border Police Force Act, 1992 (35 of 1992), the Border Security Force Act, 1968 (47 of 1968), the Central Industrial Security Force Act, 1968 (50 of 1968) and the National Security Guard Act, 1986 (47 of 1986).
17.	Machinery, equipment, instruments, components, spares, jigs and fixtures, dies, tools, accessories, computer software, raw materials and consumables required for the purpose of SAMYUKTA Programme of the Ministry of Defence.	<p>If,-</p> <p>(a) the said goods are imported by works centres of the SAMYUKTA Programme, Government agencies or public sector undertakings, as may be designated by an officer not below the rank of a Deputy Secretary to the Government of India in the Ministry of Defence; and</p> <p>(b) such importers produce to the Joint Commissioner of Customs or the Assistant Commissioner of Customs or Deputy Commissioner of Customs, as the case may be, at the time of import, in each case, a list of the said goods with their relevant description, -</p> <p>(1) duly certified by the Programme Director or Associate Programme Director SAMYUKTA Programme, Department of Defence Research and Development, to the effect that the said goods are required for the SAMYUKTA Programme, shall be used only for the SAMYUKTA Programme and that they are not manufactured in India; and</p> <p>(2) duly certified also by an officer not below the rank of an Under Secretary to the Government of India in the Ministry of Defence to the effect that the imports of the said goods mentioned in the said list are authorised by the Ministry of Defence under and for the purposes of the SAMYUKTA Programme.</p> <p><i>Explanation.</i> - Nothing contained in this exemption shall have effect on or after the 1st day of December, 2002.</p>
18.	Machinery, equipment, instruments, components, spares, tools, accessories, computer software, mock ups and models, raw materials and consumables	If,-(a) the said goods are imported by authorised works centres of the LCAP, as may be designated by an officer not below the rank of a Deputy Secretary to the Government

	<p>required for the purposes of Light Combat Aircraft Programme (LCAP) of the Ministry of Defence.</p>	<p>of India, in the Ministry of Defence; and (b) such importers produce to the Assistant Commissioner of Customs or Deputy Commissioner of Customs, at the time of import, in each case, a list of the said goods with their relevant description, - (1) duly certified by the Senior Manager, Aeronautical Development Agency, to the effect that the goods mentioned in the said list are required for the LCAP of the Ministry of Defence, shall be used only for the LCAP and that they are not manufactured in India; and (2) duly certified also by an officer not below the rank of an Under Secretary to the Government of India in the Ministry of Defence to the effect that the imports of the goods mentioned in the said list are authorised by the Ministry of Defence under and for the purposes of the LCAP. <i>Explanation.</i> - Nothing contained in this exemption shall have effect on or after the 1st day of July, 2006.</p>
<p>19.</p>	<p>Machinery, equipment, instruments, components, spares, raw materials, consumables, jigs, fixtures tools, accessories and computer software required for the purposes of the SANGRAHA Programme of the Ministry of Defence</p>	<p>If,- (a) the said goods are imported by authorised works centres of the SANGRAHA Programme/as may be designated, by an officer not below the rank of a Deputy Secretary to the Government of India, in the Ministry of Defence; and (b) such importer produces to the Assistant Commissioner of Customs or Deputy Commissioner of Customs, at the time of import, in each case, a list of the said goods with their relevant description, - (1) duly certified by the Programme Director or Associate Programme Director, Department of Defence Research and Development, to the effect that the goods mentioned in the said list are required for the SANGRAHA Programme of the Ministry of Defence, shall, be used only for the SANGRAHA Programme and that they are not manufactured in India; and (2) duly certified also by an officer not below the rank of an</p>

		Under Secretary to the Government of India in the Ministry of Defence to the effect that the imports of the goods mentioned in the said list are authorised by the Ministry of Defence under and for the purposes of the SANGRAHA Programme. <i>Explanation</i> , - Nothing contained in this exemption shall have effect on or after the 1st day of July, 2002.
20.	Bomb disposal suits/helmets /protection shields. Bomb suppression blanket. Explosive detectors including hand held or portable type. Electronic stethoscope. Remote car opening tool (push/pull type). Portable X-ray machine/system, Inspection/Search mirrors - illuminated/telescopic or otherwise. Mine detectors, Metal detectors (portable or fixed), Postal bomb detector. Explosive container. Water jet disrupter with cartridges and laser sight and Telescopic manipulator, Non-linear junction detector. Optical fibre scopes, Search lights (dragon variety), Radiation detectors. Parcel viewer. Alarm systems, CCTV systems. Bomb disrupter, Bomb trailer, Blasting machines. Wire and cable locators	if,- (a) imported by the Police Force of the States or Union territories or Central Reserve Police Force, National Security Guard or Special Protection Group or Border Security Force or Central Industrial Security Force or Indo-Tibetan Border Police or Assam Rifles or Railway Protection Force or Special Frontier Force, for bomb detection or disposal purposes; and (b) the importer produces a certificate from an officer in the Ministry of Home Affairs or Ministry of Railways, as the case may be, not below the rank of an Under Secretary to the Government of India to the effect that the said goods are intended for the aforesaid use.
		i. in condition (a), for the words "Assam Rifles or Special Frontier Force", the words "Assam Rifles or Railway Protection Force or Special Frontier Force" shall be substituted; and ii. in condition (b), for the words "in the Ministry of Home Affairs not below the rank of an Under Secretary", the words "in the Ministry of Home Affairs or Ministry of Railways, as the case may be, not below the rank of an Under Secretary" shall be substituted.
21	Capital equipment required for setting up of facilities for	If imported by M/S Hindustan Aeronautics Limited (H.A.L.).

	manufacture of SU-30 MKI aircraft	
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Notification No.39/96-Cus., dated 23-7-1996 as amended by Notification 60/96-Cus., dated 22-8-1996; No.86/96-Cus., dated 6-11-1996; No. 19/97-Cus.; dated 1-3-1997;No. 69/97-Cus.; dated 15-9-1997;No. 28/98-Cus.; dated 2-6-1998; No. 99/98-Cus.; dated 27-11-1998;No. 27/99-Cus.; dated 28-2-1999;No. 111/99-Cus.; dated 21-9-1999 and Notification 146/2000-Cus, dated 15-12-2000; No. 118/99-Cus.; dated 29-10-1999;No. 8/2000-Cus.; dated 27-1-2000;No. 11/2000-Cus.; dated 31-1-2000; No. 20/2000-Cus.; dated 1-3-2000; No.103/2000-Cus.,dated 19-7-2000; No.33/2001-Customs dated 29-03-01.and No.66/2002-cus dated 26-6-2002.