

Government of India
Ministry of Finance
Department of Revenue
Central Board of Excise & Customs, New Delhi

Subject : Clearance of Samples from EOUs/EPZ/EHTP/STP Units to DTA - Regarding.

I am directed to refer to Board's Circular No. 22/98, dated the 27th March, 1998 issued from the F.No. 305/60/98-FTT on the above subject.

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2. As per paragraph 9.12 of the Exim Policy, 1997-2002 (as amended upto 31st March, 1999), the EOU/EPZ/EHTP/STP Units are allowed to supply or sell in DTA, annually, samples of goods produced by it for display/market promotion, upto 1% of the value of previous year's export or maximum of Rs. 10 lakhs in case of new unit going into production, on payment of applicable duties. However, as per Board's Circular No. 28/98, dated 27/3/98, the samples upto 1% of the value of previous year's export or maximum of Rs. 1 lakh in case of new units going into production can only be allowed to be cleared on payment of applicable duty.

3. It has been brought to notice of the Board by the Ministry of Commerce that in absence of any fresh instructions, of the EOU/EPZ/STP/EHTP Units are unable to clear the samples as per Paragraph 9.12 of the Exim Policy are revised upto 31st March 1999.

4. The issue has been examined. It has been decided that henceforth, the EOU/EPZ/STP/EHTP Units shall be allowed supply or sell in DTA, samples of goods produced by them for display / market promotion upto 1% of the value of previous year's export or maximum of Rs 10 lakhs in case of new unit going into productions on payment of applicable duties.

5. The instructions issued vide Board's circular No. 22/98, dated 27/3/98 stand modified to the above extent.

6. Wide publicity may be given by issue of a Public Notice in this regard.

7. Kindly acknowledge receipt of this Circular. Difficulties, if any, faced in the implementation of the above changes, may be brought to the notice of the Board at an early date.

Sd/-
(C.P.Goyal)
St. Technical Officer (FTT)