



सत्यमेव जयते

KASEZ

विकास आयुक्त कार्यालय
Office of the Development Commissioner

कांडला विशेष आर्थिक क्षेत्र

Kandla Special Economic Zone

वाणिज्य तथा उद्योग मंत्रालय

Ministry of Commerce & Industry

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CIRCULAR

This is to inform you that with the Mid-term review of FTP, updated on 5th December, 2017; the concept of DTA sale from EOU on concessional/full duties and the limit on entitlement of DTA sale has been removed. Now a unit can sell their finished products as per para 6.08 of FTP (Mid-term review: copy enclosed).

However, DTA sale permission will be required to be obtained from the Development Commissioner, Kandla SEZ before clearance in DTA since no change has taken place in Appendix- 6G. Hence all EOUs shall apply for DTA Sale permission as per ANF-6C of Appendices and Aayat Niryat Forms of FTP, 2015-2020 and are not to make DTA sale on intimation basis.

This issues with the approval of the Development Commissioner.

(Rajesh Kumar)

Deputy Development Commissioner,
Kandla Special Economic Zone.

To,
All EOUs of Gujarat State.

Encl: As above.

6.08 DTA Sale of Finished Products / Rejects / Waste/ Scrap / Remnants and By-products

Entire production of EOU/EHTP/STP/BTP units shall be exported. However, the following are allowed as exceptions subject to the conditions specified.

- (a) (i) Units, other than gems and jewellery units may sell finished goods manufactured by them as specified in LoP (including by-products, rejects, waste and scraps arising in the course of production, manufacture, processing or packaging of such goods) which are freely importable under FTP in DTA, subject to fulfillment of positive NFE, on payment of excise duty, if applicable, and/ or payment of GST and compensation cess along with reversal of duties of Custom leviable under First Schedule to the Customs Tariff Act, 1975 availed as exemption, if any on the inputs utilized for the purpose of manufacturing of such finished goods (including by-products, rejects, waste and scraps arising in the course of production, manufacture, processing or packaging of such goods). No DTA sale shall be permissible in respect of, pepper & pepper products, marble and such other items as may be notified from time to time.
- (ii) Such DTA sale shall also not be permissible to units engaged in activities of packaging / labeling / segregation / refrigeration / compacting / micronisation / pulverization / granulation / conversion of monohydrate form of chemical to anhydrous form or vice-versa.
- (iii)(a) Sales made to a unit in SEZ shall also be taken into account for purpose of arriving at FOB value of export by EOU provided payment for such sales are made from Foreign Currency Account of SEZ unit.
- (b) Sale to DTA would also be subject to mandatory requirement of registration of pharmaceutical products (including bulk drugs).
- (iv) An amount equal to Anti Dumping duty under section 9A of the Customs Tariff Act, 1975 leviable at the time of import, shall be payable on the goods used for the purpose of manufacture or processing of the goods cleared into DTA from the unit.