

**Ministry :** Ministry of Finance

**Department/Board :** CBEC Customs

**Notification No :** 2/2011

**Date :** 08.01.2011

**Amendment to Notification No. 21/2002-Customs dated 01.03.2002 - insertion of clause after clause (iai) and entries after S.No. 37B in the Table and in the annexure after condition No. 5**

In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 21/2002-Customs, dated the 1st March, 2002, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 118(E) dated the 1st March, 2002, namely :-

In the said notification, -

(i) in the preamble, in the proviso, after clause (iai), the following clause shall be inserted, namely:-

“(iaj) the goods specified against S.Nos. 37C, 37D, 37E of the said Table on or after the 1st day of April, 2011”

(ii) in the Table, after S.No. 37B and the entries relating thereto, the following S.Nos. and entries shall be inserted, namely:-

(1)	(2)	(3)	(4)	(5)	(6)
“37C.	1701	Raw Sugar	Nil	-	5D
37D.	1701 91 00 or 1701 99 90	Refined or white sugar	Nil	-	5E
37E.	1701	Raw sugar if imported by a bulk consumer	Nil	-	5F”

(iii) in the Annexure, after condition No. 5 and the entries relating thereto, the following conditions shall be inserted, namely :-

Condition No.	Conditions
5D	<p>(a) If imported by a sugar factory or a sugar refinery.</p> <p>Explanation.- For the purpose of this notification -</p> <p>(i) "sugar factory" shall have the same meaning as assigned to it in Section 2(c) of the Sugarcane (Control) Order, 1966;</p> <p>(ii) "sugar refinery" means a unit which is engaged in the manufacture of refined sugar starting from the stage of raw sugar".</p> <p>(b) If imported by any person other than at (a) above:</p> <p>i. the importer shall produce to the Deputy Commissioner of Customs or the Assistant Commissioner of Customs, as the case may be, a valid contract or agreement with a sugar factory or sugar refinery for refining of such raw sugar and shall furnish a bond to the effect that the said raw sugar shall be used for the said purpose;</p> <p>ii. the bond shall be discharged by the Deputy Commissioner of Customs or the Assistant Commissioner of Customs, as the case may be, on production of a certificate from the Central Excise authorities having jurisdiction over such sugar factory within a period of three months from the date of import of such raw sugar that the entire quantity of imported raw sugar has been refined and</p> <p>iii. in the event of his failure to comply with the above conditions, the importer shall be liable to pay, in respect of such quantity of the raw sugar as is not proven to have been refined, an amount equal to the difference between the duty leviable on such quantity but for the exemption contained herein.";</p>
5E	<p>If the importer produces before the Deputy Commissioner of Customs or the Assistant Commissioner of Customs, as the case may be, a proof to show that the contract for import of such sugar is duly registered with Agricultural &amp;</p>

	Processed Food Products Export Development Authority (APEDA)".
5F	<p>If the importer, at the time of import, produces a certificate from a Chartered Accountant to the effect that the importer is a bulk consumer.</p> <p>Explanation,- For the purpose of this notification,-</p> <p>(i) bulk consumer is a person, establishment or industrial unit using or consuming more than ten quintals of sugar per month as a raw material for production or consumption or use in any manner other than sale.</p> <p>(ii) the said certificate shall be issued by the Chartered Accountant after taking into account monthly use or consumption of sugar by such person, establishment or unit in the last twelve months; and</p> <p>(iii) "Chartered Accountant" shall have the same meaning as assigned to it in clause (b) of sub-section (1) of section 2 of the Chartered Accountant Act, 1949.</p>

**F. No.354/78/2009-TRU Pt I**

**(Vikas)**

**Under Secretary to the Government of India**

**Note.-** The principal notification No.21/2002-Customs, dated the 1st March, 2002, was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 118 (E), dated the 1st March, 2002 and was last amended by notification No. 128/2010-Customs, dated the 22nd December, 2010 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R.1002(E), dated the 22nd December, 2010.