



भारत सरकार

**GOVERNMENT OF INDIA**

सीमा शुल्क आयुक्त का कार्यालय

**OFFICE OF THE COMMISSIONER OF CUSTOMS**

सीमा शुल्क गृह, तूत्तुक्कुडि 628 004

**CUSTOM HOUSE, TUTICORIN : 628 004.**

Phone-0461-2352964, 2352633 Fax 0461-2352019

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दिनांक Date: 25 .09.2014

**PUBLIC NOTICE NO: 17 /2014**

Sub: Customs – Import of timber logs under Notification  
No:32/97 Cus dated 1.4.1997 – issuing of clarifications – reg.

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Whereas doubts have been expressed regarding the import of timber logs under Notification No. 32/97-Cus dated 1.4.1997 as amended for the purpose of export of sawn timber, it is felt expedient to issue this Public Notice so as to provide clarifications.

2. Notification No. 32/97-Cus dated 1.4.1997, as amended, is a conditional customs exemption notification applicable to goods imported for execution of an export order for jobbing subject to several conditions indicated therein. This notification has been issued under section 25 (1) of the Customs Act, 1962 and hence its purpose is to provide exemption from the Customs duty to such imports which meet the conditions mentioned therein and it applies to all such goods. This notification, however, does not modify any restrictions on imports and exports under the Foreign Trade Policy or any other law for the time being in force and such restrictions apply.

3. One of the conditions of exemption under this notification is that the FOB value of the resultant products to be exported should be at least 10% more than the CIF value of all the goods imported goods. However, if the imported product is timber log and the export product is sawn timber, such exports will also be subject to the restrictions under the Foreign Trade Policy which includes a condition that the value addition of exports shall be not less than 30%. If the value addition is less than 30% or if any of the other conditions are not fulfilled, sawn timber cannot be exported legally. These restrictions under the Foreign Trade Policy framed under the Foreign Trade (Development and Regulation) Act, 1992 do not get modified by the Customs exemption notification.

4. It is therefore, clarified that if timber logs are imported under the customs exemption notification No. 32/97-Cus dated 1.4.1997 for the purpose of exporting sawn timber, such exports should meet conditions subject to which they can be exported under the FTP including the condition that the value addition should be at least 30%. If the value addition is of less than 30%, then the goods cannot be legally exported. Before extending the benefit of notification No.32/97 officers should satisfy themselves that the exports proposed to be undertaken are legally permissible under the Foreign Trade Policy.

-Sd-

**(P.V. SUBBA RAO)**  
**COMMISSIONER**

To  
As per Mailing List I, II & III  
Copy submitted to the Chief Commissioner of Customs(Prev.),Trichy.