

# Foreign Privileged Persons (Regulation of Customs Privileges) Rules, 1957

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*M.F. (D.R.) Notification No. 4-Cus., dated 8th January, 1957 as amended by C.B.R. No. 15-Cus., dated 19th January, 1957; Notifications No. 177-Cus., dated 29th November, 1962; No. 124-Cus., dated 11th May, 1963; No. 221-Cus., dated 30th September 1963; No. 91-Cus., dated 17th July, 1965; No. 151-Cus., dated 2nd October, 1965; M.F. (D.R. & I.) Notification No. 160-Cus., dated 27th August, 1966; C.B.E. & C. Notification No. 156-Cus., dated 26th October, 1966; Notifications No. 111-Cus., dated 26th July, 1969; No. 163-Cus., dated 18-8-1978; No. 32-Cus., dated 9th February, 1979; Notification No. 34/85-Cus., dated 20-2-1985; Notification No. 35/99-Cus. (N.T.), dated 8-6-1999; No. 43/99-Cus. (N.T.), dated 2-7-1999 and No. 33/2001-Cus. (N.T.) dated 27-6-2001; and No. 71/2002 - Cus (N.T.), dated 20/11/2002*

In exercise of the powers conferred by clause (c) of section 9 of the Sea Customs Act, 1878 (8 of 1878), the Central Board of Excise and Customs hereby makes the following rules for the purpose of laying down the procedure for the recovery of customs duty on goods imported free of such duty in the first instance and sold or otherwise disposed of later on in India by the officers referred to in Serial Nos. 1, 2, 3, 3A, 4, 4A, 5 and 6 in the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 3-Customs, dated the 8th January, 1957.

## 1. Short title, commencement and application.-

- (1) These rules may be called the Foreign Privileged Persons (Regulation of Customs Privileges) Rules, 1957.
- (2) They shall come into force on the 8th January, 1957.
- (3) They shall apply to the goods exempt from customs duty in accordance with the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 3-Customs, dated the 8th January, 1957.

## 2. Definitions.-

In these rules, unless the context otherwise requires,

- (a) "goods" means all articles imported or purchased locally from bonded stocks free of duty in accordance with the notification referred to in sub-rule (3) of rule 1 and includes -
  - (i) motor vehicles so imported or purchased; and
  - (ii) all articles including motor vehicles purchased by any privileged persons from another privileged person, on which customs duty has not been paid;
- (b) "privileged person" means a person entitled to import or purchase locally from bond goods free of duty for his personal use or for the use of any member of his family or for official use in his Mission, Consular Post or Office or in Deputy High Commission/Assistant High Commission;
- (c) "Non-privileged person" means a person other than a privileged person.

## 3. Formalities to be observed at the time of clearance of the goods.-

- (1) No goods shall be allowed to be cleared free of duty unless in addition to the formalities required to be observed ordinarily for clearing them, exemption from duty is claimed in writing at the time of the clearance of the goods through customs and such claim is accompanied by an exemption certificate in Triplicate in the Forms in Appendix IA, IB, IC, ID, IIA, IIB, IIIA, IIIB, IIIC as the case may be. [See Form Numbers 9, 10, 11, 12, 13, 14, 15, 16 and 17 in Part 5].
- (2) Such certificate shall be signed by -
  - (a) the Head of the Diplomatic Mission concerned or, in the case of a Diplomatic Mission having more than fifteen Diplomatic Officers, a Diplomatic Officer, duly authorised by the Head of the Mission for this purpose, if the goods are meant for official use in the Diplomatic Mission; or
  - (b) the Consular Officer or Deputy High Commissioner/Assistant High Commissioner or Trade Commissioner in-charge of the Consular Post or Deputy High Commission/Assistant High Commission or Trade Representation, or in the case of a Consular Post or Deputy High Commission/Assistant High Commission or Trade Representation having more than ten privileged persons a Consular Officer or a Diplomatic Officer or an Officer of the Deputy High Commission/Assistant High Commission or Trade Representation, authorised for this purpose by the Head of the Consular Post or Deputy High Commission/Assistant High Commission or Trade Representation, as the case may be, if the goods are meant for the official use in the Consular Post or Deputy High Commission/Assistant High Commission or Trade Representation; or
  - (c) the privileged person concerned if the goods are meant for his personal use or for the use of any member of his family:

Provided that the certificate is countersigned by the Head of the Mission or the Consular Post or the Deputy High Commission/Assistant High Commission or Trade Representation, as the case may be, and if the privileged person is attached to a Diplomatic Mission or Consular Post or Deputy High Commission or Assistant High Commission or Trade Representation having more than ten privileged persons, by a Diplomatic Officer or Consular Officer or an officer of the Deputy High Commission/Assistant High Commission or of the Trade Representation, as the case may be, who is duly authorised.

(3) Two of the three copies of the exemption certificate referred to in sub-rule (1) shall be sent to the [Commissioner of Customs] of the port of importation of the goods and the other copy shall be sent to the Protocol Division, Ministry of External Affairs, Government of India.

(4) Where exemption from duty is claimed in respect of a motor vehicle, an exemption certificate in triplicate in the Form in Appendix IV-A, or Appendix IV-B (See Form No. 18 or 19 in Part 5), as the case may be, shall be given. The provisions of sub-rules (2) and (3) shall apply in relation to the signature, countersignature and transmission of copies of exemption certificates.

#### **4. Permission for the sale or disposal of the goods.-**

(1) No privileged person shall, without obtaining the prior concurrence of the Central Board of Excise and Customs, sell, or otherwise dispose of, to any privileged person or to any, non-privileged person, any goods in respect of which exemption from customs duty was given at the time of their importation or clearance from bond, within three years from the date on which they are imported.

(1A) Where the privileged person -

- (a) relinquishes his post, or
- (b) is transferred out of India,

within the period of three years referred to in sub-rule (1), he shall with the prior concurrence of the Central Board of Excise and Customs effects the sale, or the disposal otherwise, of such goods before the expiry of three months from the date of the relinquishment of his office or, as the case may be, of his departure out of India or within such longer period as the Central Board of Excise and Customs may allow.

(1B) Nothing contained in sub-rule (1A) shall be deemed to affect the right of the privileged person to take away the goods with him on relinquishing his office or, as the case may be, on being transferred out of India.

(2) Every application for such concurrence shall be made by the privileged person in the Form in Appendix V (See Form No. 20 in Part 5) to the Central Board of Excise and Customs through the Protocol Division, Ministry of External Affairs, Government of India.

(3) A copy of the communication of the Central Board of Excise and Customs giving its concurrence to the sale or disposal of the goods shall be sent to the [Commissioner of Customs] nearest to the headquarters of the privileged person concerned in addition to each of the officers to whom copies of the exemption certificate, with undertaking if any, were sent under rule 3.

(4) Nothing in this rule shall apply to the sale or disposal otherwise of a motor vehicle in respect of which exemption from Customs duty was given at the time of its importation or clearance from Bond.

#### **4A. Permission for the sale or disposal of motor vehicles.-**

(1) No privileged person shall sell or otherwise dispose of any motor vehicle in respect of which exemption from customs duty was given at the time of its importation or clearance from bond except in accordance with sub-rule (2).

[(2) Any privileged person may -

- (a) sell or otherwise dispose of any motor vehicle referred to in sub-rule (1) to another privileged person, with the permission of Central Board of Excise and Customs