

Instruction No. 4/2022-Customs

CBIC-190341/10/2022-TRU Section-CBEC

**Government of India
Ministry of Finance
Department of Revenue
Tax Research Unit**

North Block, New Delhi
Dated, 27th April, 2022

To

All Principal Chief Commissioner/Chief Commissioner of Customs/Customs (Preventive).
All Principal Chief Commissioner/Chief Commissioner of Customs & Central Tax
All Principal Commissioner/ Commissioner of Customs/Customs (Preventive).
All Principal Commissioner/Commissioner of Customs & Central Tax
All Principal Director Generals/Director Generals under CBIC

Madam/Sir,

Subject: Implementation of Notification No. 28/2021-Customs dated 24th April, 2021

Reference is invited to notification No. 28/2021-Customs dated 24th April, 2021 that sought to exempt customs duty and health cess on import of oxygen, oxygen related equipment and COVID-19 vaccines, up to 30th September, 2021.

2. S. No. 11 of notification No. 28/2021-Customs dated 24th April, 2021 provided exemption from the whole of customs duty and health cess to the parts of specified medical oxygen related equipment provided that importers follow the procedure set out in Customs (Import of Goods at Concessional Rate of Duty) Rules, 2017 (IGCR).

3. Certain references have now been received stating that in audits and verification, the issue of non-observance of conditions of IGCR is being raised.

4. In this context, it is stated that owing to the peculiar circumstance of the COVID-19 wave, parts of medical oxygen related equipment were imported on emergency requirement and at times are said to have been assembled at the premises of hospital or other establishments. Considering the medical national emergency faced by the nation, these very exceptional circumstances may have led to the importers not being able to adhere to certain procedural aspects of the IGCR. Considering the circumstances in which such imports were undertaken, the benefit of the exemption notification may not be denied, merely on the issue of not observing the procedure, provided that the goods so imported have been put to the intended use, i.e., in the manufacture of specified equipment related to the production, transportation, distribution or storage of Oxygen, which if required, is verifiable from invoices and other documents showing supply of such manufactured goods by the importer.

5. These instructions would apply only in respect to the imports made under the notification No. 28/2021-Customs dated 24th April, 2021 owing to the peculiar circumstances of the Covid-19 pandemic.

6. The difficulties, if any, may be brought to the notice of the board.
Hindi version will follow.

Yours faithfully

V. V. Nayak
27/4/2022

Vinay V Nayak
Technical Officer