

F.No. 209/35/2001-CX.6

Government of India
Ministry of Finance
Department of Revenue
Central Board of Excise & Customs

Subject: Storage of non-duty paid goods outside the factory premises- regarding.

I am directed to refer to the Central Excise Manual, which has been issued by the Board on 31.8.2001 and Board's circular No.586/23/2001 -CX dated the 12th September 2001 wherein the facility of storage of non-duty paid goods outside factory premise was extended to Sugar only.

2. Representations have been received from the field formations as well as from the trade associations in this regard stating that the facility which was available under erstwhile Rule 47(5) of the Central Excise Rules, 1944 was not extended under Central Excise (No.2) Rules 2001 and this is causing a lot of hardship to the trade.

3. The matter has been examined by the Board. It is the view that in exceptional circumstances such as envisaged under erstwhile Rule 47 (5) of Central Excise Rules, 1944 the facility of non-duty paid goods outside the factory premise, without payment of duty, may be made available to ensure no hardship is caused to the trade. However, this is subject to adequate revenue safeguards.

4. The field formations may suitably be informed.

5. Receipt of this Circular may please be acknowledged.

6. Hindi version will follow.