

Notification No.36/2001-Central Excise(N. T.)

In exercise of the powers conferred by sub-rule (2) of the rule 9 of the Central Excise (No.2) Rules, 2001, the Central Board of Excise and Customs, being satisfied that it is necessary and expedient in the public interest so to do, -

1. hereby exempts from the operation of rule 9 of the said rules, -

1. the persons who manufacture the goods specified in the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986) which are chargeable to nil rate of duty or remain fully exempt from the whole of the duty of excise leviable thereon subject to conditions specified in that notification and other conditions as specified below:

1. the manufacturer makes a declaration in the specified form annexed hereto while claiming exemption under this notification:

2. that where the exemption from the whole of the duty of excise leviable on the said goods is granted, based on the value of clearances made in a financial year (hereinafter referred to as "full exemption limit"), no such declaration shall be filed, if the aggregate value of the said goods cleared -

1. by a manufacturer from one or more factories, or

2. from any factory by one or more manufacturers,

for home consumption, was less than the specified limit during the preceding financial year or in case of a new factory or manufacturer, such value of clearances is estimated to remain less than the specified limit during the current financial year;

1. every manufacturer who gets his goods manufactured on his account from any other person subject to the conditions that the said manufacturer authorises the person, who actually manufactures or fabricates the said goods to comply with all procedural formalities under the Central Excise Act, 1944 (1 of 1944) and the rules made thereunder, in respect of the goods manufactured on behalf of the said manufacturer and, in order to enable the determination of value of the said goods under section 4 or section 4A of the said Act, to furnish information including the price at which the said manufacturer is selling the said goods and the person so authorised agrees to discharge all liabilities under the Act and the rules made thereunder:

Provided that in respect of goods falling under Chapter 62 of the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986), the manufacturer shall authorize the job worker, who has been authorized to pay the duty of excise leviable on such goods on his behalf under sub rule (3) of rule 4, to furnish information including the retail sale price at which such goods are sold in order to enable determination of tariff value of such goods under sub-section (2) of section 3 of the Central Excise Act, 1944 (1 of 1944) or any notification issued thereunder.

Explanation .- For the purposes of this notification, "retail sale price" means the maximum price at which the excisable goods may be sold in packaged form to the ultimate consumer and includes all taxes, local or otherwise, freight, transport charges, commission payable to dealers, and all charges towards advertisement, delivery, packing, forwarding and the like, as the case may be, and the price is the sole consideration for such sale;

1. the persons manufacturing excisable goods by following the warehousing procedure as required by or under the Customs Act, 1962 (52 of 1962) subject to the following conditions: -

1. the said excisable goods and any intermediary or by-product including the waste and refuse arising during the process of manufacture of the said goods under the Customs Bond are either destroyed or exported out of the country to the satisfaction of the Assistant Commissioner of Customs or the Deputy Commissioner of Customs, in-charge of the Customs Bonded Warehouse;

2. the manufacturer shall file a declaration in the specified form annexed hereto in triplicate for claiming exemption under this notification;

1. no drawback or rebate of duty of excise paid on the raw materials or components used in the manufacture of the said goods, shall be admissible.

1. the person who carries on wholesale trade or deals in excisable goods except first stage dealer or second stage dealer as defined in CENVAT Credit Rules, 2001;

2. the person who uses excisable goods for any purpose other than for processing or manufacture of any goods availing benefit of exemption extending concessional rate of duty;

3. every job worker, who undertakes job work in respect of final products falling under Chapter 62 of the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986), on behalf of any other person who shall pay the duty or duties of excise leviable on the said goods, under sub-rule (3) of rule 4 and comply with all procedural formalities and discharge all liabilities under the Central Excise Act, 1944 (1 of 1944) and the rules made thereunder, in respect of the goods manufactured on behalf of the said other person:

Provided that the above exemption shall not apply to the job worker who may be authorised to pay the duty of excise leviable on such final products manufactured by him on behalf of such other person in accordance with the proviso to sub-rule (3) of rule 4 of the said rules.

Explanation .- For the purposes of this proviso, the expression "job worker" shall have the meaning assigned to it in sub-rule (3) of rule 4;

1. hereby declares that where a hundred per cent export oriented undertaking, or a unit in Free Trade Zone or Special Economic Zone, is licensed or appointed, as the case may be, under the provisions of the Customs Act, 1962, such hundred per cent export oriented undertaking or unit in Free Trade Zone or Special Economic Zone shall be deemed to be registered for the purposes of rule 9 of the Central Excise (No.2) Rules, 2001.
2. hereby declares that if two or more premises of the same factory are separated by public road, railway line or canal, the Commissioner of Central Excise may, subject to proper accountal of the movement of goods from one premise to other and such other conditions and limitations, allow single registration.

Explanation .- For the purpose of this notification, the expression "specified limit" shall mean full exemption limit minus ten lakh rupees.

Annexure

Declaration Form

To

The Assistant Commissioner/ Deputy Commissioner,
Central Excise,

I/We.....declare that to the best of my/our knowledge and belief the information furnished in the Schedule below is true and complete.

I/We undertake to apply for a Central Excise registration certificate in the proper form as soon as the value of the goods, mentioned in the said Schedule, cleared for home consumption in a financial year, reaches the full exemption limit.

I/We undertake to apply for a Central Excise Registration in the proper form as soon as the goods mentioned in the Schedule become chargeable to duty.

I/We undertake to maintain such records and follow such procedure as may be prescribed by the Commissioner in relation to the exempted goods.

I/We also undertake to intimate any change in the information furnished in the said Schedule.

THE SCHEDULE

1. Name(s) and address(es) of the proprietors/all partners/Directors of the company owning the factory.
2. Name and address of the factory.
3. Name and addresses of other factories/manufacturers (producing such goods) in whom the manufacturer claiming the exemption has proprietary interest.
4. Full description of the goods (heading-wise) manufactured by the factory.
5. Value/quantity of the goods cleared during the preceding financial year.
6. Value/quantity of the goods estimated to be cleared in the current financial year.
7. Heading No. or sub-heading No. of the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986) under which the goods are classifiable.
8. (a) Reference to the heading/sub-heading of the said Schedule Section 5A of the Central Excise Act, 1944 (1 of 1944), the case may be (under which the goods are exempted from the whole of the duty of excise leviable thereon).
(b) Ground of exemption under the said heading/sub-heading or the said notification
9. Process of manufacture.

(SIGNATURE OF THE APPLICANT)

Note.-Portion of the Form/Schedule that is not relevant to a particular manufacturer may be deleted.

2. This notification shall come into force on the 1st day of July, 2001.

F. No. 201/12/2001-CX.6

(P.K. Sinha)

Under Secretary to the Government of India