

Notification No. 40/2001-Central Excise (N.T.)

In exercise of the powers conferred by rule 18 of the Central Excise (No.2) Rules, 2001, the Central Government hereby directs that there shall be granted subject to conditions and limitations specified in paragraph 2 and procedures specified in paragraphs 3 and 4, -

1. rebate of whole of the duty paid on all excisable goods falling under the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986), except mineral oil products falling under Chapter 27 of the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986) exported as stores for consumption on board an aircraft on foreign run, on their exportation to any country except Nepal and Bhutan;
2. rebate of whole of the duty paid on the excisable goods to the His Majesty's Government on their exportation to Nepal except that the rebate shall not, in each case, exceed the aggregate of the duty of Customs and additional duty of Customs levied by His Majesty's Government of Nepal on such goods when they are imported into Nepal from any country other than India; and
3. rebate of whole of the duty paid on mineral oil products falling under Chapter 27 of the Schedule to the Central Excise Tariff Act, 1985 (5 of 1986) exported as stores for consumption on board an aircraft on foreign run except that in respect of the excisable goods mentioned in column (2) of the Table below, the rebate shall be reduced by the amount indicated in the corresponding entry in column (3) of the said Table.

TABLE

Sl. No.	Description of excisable goods	Amount
(1)	(2)	(3)
	Motor Spirit	Rs. 48.88 per kilolitre at fifteen degrees of Centigrade thermometer.
	Kerosene and Aviation Turbine Fuel	Rs. 24.94 per kilolitre at fifteen degrees of Centigrade thermometer.
(1)	(2)	(3)
	Refined Diesel Oil, other than High Speed Diesel Oil	Rs. 60.00 per kilolitre at fifteen degrees of Centigrade thermometer.
	High Speed Diesel Oil	Rs. 24.94 per kilolitre at fifteen degrees of Centigrade thermometer.
	Vaporizing Oil	Rs. 50.00 per kilolitre at fifteen degrees of Centigrade thermometer.
	Diesel Oil not otherwise specified	Rs. 53.39 per kilolitre at fifteen degrees of Centigrade thermometer.
	Furnace Oil	Rs. 21.05 per kilolitre at fifteen degrees of Centigrade thermometer.

2. Conditions and limitations -

1. that the excisable goods shall be exported after payment of duty, directly from a factory or warehouse except as otherwise permitted by the Central Board of Excise and Customs by a general or special order;
2. the excisable goods shall be exported within six months from the date on which they were cleared for export from the factory of manufacture or warehouse or within such extended period as the Commissioner of Central Excise may in any particular case allow;
3. that the excisable goods supplied as ship's stores for consumption on board a vessel bound for any foreign port are in such quantities as the Commissioner of Customs at the port of shipment may consider reasonable;
4. that export to any country except Nepal, shall be made in accordance with the procedure set out in paragraph 3 of this notification;
5. the rebate claim by filing electronic declaration shall be allowed from such place of export and such date, as may be specified by the Board in this behalf;
6. that in respect of the export to Nepal, -
 1. procedure specified in the paragraph 4 shall be followed;
 2. where the goods are exported by land, the export shall take place through any of the following land customs stations, namely, Sukhiapokhri, Panitanki, Jogbani, Jayanagar, Bairania, Bhimnagar, Bitamore (Sursand), Raxaul, Sonauli, Barhni, Nepalganj Road, Shohratgar (Khunwa), Jarwa, Katarniaghat, Gauriphanta, Banbasa, Jhulaghat, Dharchula, Naxalbari, Galgalia, Kunauli, Sonabarsa, Tikonja, or such other check-post as may be

specified by the Central Board of Excise and Customs; and

3. the whole or that part of duty as is granted as rebate to the exporter is not allowed as rebate to His Majesty's Government of Nepal.

7. that the market price of the excisable goods at the time of exportation is not less than the amount of rebate of duty claimed;

8. that the amount of rebate of duty admissible is not less than five hundred rupees;

9. that the rebate of duty paid on those excisable goods, export of which is prohibited under any law for the time being in force, shall not be made.

3. Procedure for export to all countries except Nepal or Bhutan Sealing of goods and examination at place of despatch. - (a) For the sealing of goods intended for export at the place of despatch, the exporter shall present the goods along with four copies of application in the Form ARE-I specified in Annexure-I to the Superintendent or Inspector of Central Excise having jurisdiction over the factory of production or manufacture or warehouse, who will verify the identity of goods mentioned in the application and the particulars of the duty paid or payable, and if found in order, he shall seal each package or the container in the manner as may be specified by the Commissioner of Central Excise and endorse each copy of the application in token of having such examination done;

(b) The said Superintendent or Inspector of Central Excise shall return the original and duplicate copies of application to the exporter.

(c) The triplicate copy of application shall be, -

1. sent to the officer with whom rebate claim is to be filed, either by post or by handing over to the exporter in a tamper proof sealed cover after posting the particulars in official records, or
2. Sent to the Excise Rebate Audit Section at the place of export in case rebate is to be claimed by electronic declaration on Electronic Data Inter-change system of Customs.

(d) The exporter may prepare quintuplicate copy of application for claiming any other export incentive. This copy shall be dealt in the same manner as the original copy of application.

(e) where goods are not exported directly from the factory of manufacture or warehouse, the triplicate copy of application shall be sent by the Superintendent having jurisdiction over the factory of manufacture or warehouse who shall, after verification forward the triplicate copy in the manner specified in sub-paragraph (c);

(f) In case of export by parcel post after the goods intended for export has been sealed, the exporter shall affix to the duplicate application sufficient postage stamps to cover postal charges and shall present the documents, together with the package or packages to which it refers, to the postmaster at the Office of booking.

(2) Despatch of goods by self-sealing and self-certification. - (a) Where the exporter desires self-sealing and self-certification for removal of goods from the factory or warehouse, the owner, the working partner, the Managing Director or the Company Secretary, of the manufacturing unit of the goods or the owner of warehouse or a person duly authorised by such owner, working partner or the Board of Directors of such Company, as the case may be, shall certify on all the copies of the application that the goods have been sealed in his presence, and shall send the original and duplicate copies of the application along with the goods at the place of export, and shall send the triplicate and quadruplicate copies of the application to the Superintendent or Inspector of Central Excise having jurisdiction over the factory or warehouse within twenty four hours of removal of the goods;

(b) The said Superintendent or Inspector of Central Excise shall, after verifying the particulars of the duty paid or duty payable and endorsing the correctness or otherwise, of these particulars,

1. send to the officer with whom rebate claim is to be filed, either by post or by handing over to the exporter in a tamper proof sealed cover after posting the particulars in official records, or
2. send to the Excise Rebate Audit Section at the place of export in case rebate is to be claimed by electronic declaration on Electronic Data Inter-change system of Customs.

(c) The exporter may prepare quintuplicate copy of application for claiming any other export incentive. This copy shall be dealt in the same manner as the original copy of application.

(d) In case of export by parcel post after the goods intended for export has been sealed, the exporter shall affix to the duplicate application sufficient postage stamps to cover postal charges and shall present the documents, together with the package or packages to which it refers, to the postmaster at the Office of booking.

(3) Examination of goods at the place of export. - (a) On arrival at the place of export, the goods shall be presented together with original, duplicate and quintuplicate (optional) copies of the application to the Commissioner of Customs or other duly appointed officer.

(b) The Commissioner of Customs or other duly appointed officer shall examine the consignments with the particulars as cited in the application and if he finds that the same are correct and exportable in accordance with the laws for the time being in force, shall allow export thereof and certify on the copies of the application that the goods have been duly exported citing the shipping bill number and date and other particulars of export:

Provided that if the Superintendent or Inspector of Central Excise sealed packages or container at the place of despatch, the officer of customs shall inspect the packages or container with reference to declarations in the application to satisfy himself about the exportability thereof and if the seals are found intact, he shall allow export.

(c) The officer of customs shall return the original and quintuplicate (optional copy for exporter) copies of application to the exporter and forward the duplicate copy of application either by post or by handing over to the exporter in a tamper proof sealed cover to the officer specified in the application, from whom exporter wants to claim rebate:

Provided that where exporter claims rebate by electronic declaration on Electronic Data Inter-change system of Customs, the duplicate shall be sent to the Excise Rebate Audit Section at the place of export.

(d) The exporter shall use the quintuplicate copy for the purposes of claiming any other export incentive.

(4) Presentation of claim for rebate to Central Excise.- (a) Claim of the rebate of duty shall be lodged along with original copy of the application to the Assistant Commissioner of Central Excise or the Deputy Commissioner of Central Excise having jurisdiction over the factory of manufacture or warehouse or, as the case may be, the Maritime Commissioner.

(b) The Assistant Commissioner of Central Excise or the Deputy Commissioner of Central Excise of Central Excise having jurisdiction over the factory of manufacture or warehouse or, as the case may be, Maritime Commissioner of Central Excise shall compare the duplicate copy of application received from the Officer of Customs with the original copy received from the exporter and with the triplicate copy received from the Central Excise Officer and if satisfied that the claim is in order, he shall sanction the rebate either in whole or in part.

(5) Claim of rebate by electronic declaration. - An exporter may enter the requisite information in the Shipping Bill filed at such place of export, as may be specified by the Board, for claiming rebate by electronic declaration on Electronic Data Inter-change system of Customs. The details of the corresponding application shall be entered in the Electronic Data Inter-change system of Customs upon arrival of the goods in the Customs area. After goods are exported or order under section 51 of the Customs Act, 1962 (52 of 1962) has been issued, the rebate of excise duty shall, if the claim is found in order, be sanctioned and disbursed by the Assistant Commissioner of Customs or the Deputy Commissioner of Customs.

(6) Special procedure for store for consumption on board an aircraft on foreign run: Notwithstanding anything contained in this paragraph, in case of mineral oil products falling under Chapter 27 of the First Schedule to the Central Excise Act, 1985 (5 of 1986) exported as stores for consumption on board an aircraft on foreign run, the products as remain on board an aircraft after completion of an internal flight but prior to its reversion to foreign run, the rebate for which shall be granted without production of documents evidencing the payment of duty thereon. The proper officer of Customs shall certify in the manner specified by the Commissioner of Central Excise the quantity of products left on board for determining the quantum of rebate therefor.

(7) Cancellation of documents: If the excisable goods are not exported, the Assistant Commissioner of Central Excise or the Deputy Commissioner of Central Excise shall cancel the export documents.

4. Procedure for export to Nepal:

(1) Procedure relating to removal of goods. - When goods liable to duties of excise in India are despatched to Nepal through land, the exporter or his agent shall observe the following procedure at the registered factory or warehouse or premises as approved by the Commissioner of Central Excise, from where the excisable goods are removed for export to Nepal: -

1. Application in the form specified under Annexure-II, in quadruplicate, shall be presented to the jurisdictional Superintendent or Inspector of Central Excise along with the export goods.
2. The said officer shall verify the packages and the goods with reference to the declaration in the Application. If found in order, he shall deliver the goods, packages or container after sealing it, to the exporter or his agent together with the original copy of the invoice, duly completed and registered. The exporter or his agent shall then be free to remove the goods for export to Nepal, through the specified land customs stations.
3. the duplicate and triplicate copies of the invoices shall be put in a cover and sealed and handed over to the exporter or his agent by the Central Excise Officer for being handed over to the officer of customs in-charge of the said land customs station
4. The quadruplicate copy of the invoice shall be retained by the Central Excise Officer;

(2) Procedure at the land customs station. - At the land customs station, the following procedure shall be followed, namely: -

1. the exporter or his agent shall present the goods to the officer of Customs in-charge of the land customs station along with the original copy of invoice and the sealed cover containing duplicate and triplicate copies;

2. where the contents of all the copies of invoices tally and the packages, goods or container are satisfactorily identified with their seals in tact, the customs officer in-charge of the land customs station shall make necessary entries in the register maintained at the land customs station and allow the goods to cross into the territory of Nepal and certify accordingly on each of the three copies of the invoice and simultaneously indicate the running serial number in red ink prominently visible and encircled against Item 3 on all the three copies of the invoice. He may, to satisfy himself as to the identity of the packages, goods or containers from the particulars shown on the invoice, open container or packages and examine the goods, especially where the seals are broken;
3. the customs officer, then deliver the original copy of the invoice duly endorsed to the exporter or his agent alongwith the goods for presentation to the Nepalese Customs Officer. He shall also send, directly the duplicate and triplicate copies of the invoice to the Nepalese Customs Officer in-charge of the check post through which the goods are to be imported into Nepal;
4. the goods will then be produced before the Nepalese Customs Officer at the corresponding border check post along with the original copy of the invoice. The Nepalese Customs Officer, shall deal with the original copy as directed by His Majesty's Government of Nepal and return the duplicate copy, after endorsing his certificate of receipt of goods in Nepal directly to the officer of customs in-charge of the land customs station;
5. the officer in-charge of the land customs station shall forward the duplicate copy to the Deputy Director of Inspection, Customs and Central Excise, Nepal Refund Wing. For this purpose, the said officer in-charge of the land customs station should keep a note of the return of duplicate copies from the Nepalese Customs Officer and remind the exporter for such copies as have not been received.

(3) Procedure to be followed by the Directorate General of Inspection, Customs and Central Excise (Nepal Refund Wing), New Delhi. -

1. The Directorate General of Inspection, Customs and Central Excise (Nepal Refund Wing), New Delhi [hereinafter referred to as "the Directorate"] shall maintain separate registers for each Indian Border Customs Check Post.
2. The duplicate invoice will be entered in the respective registers showing the running serial number in the recapitulation statement register prescribed for the purpose.
3. At the end of every month he shall calculate the amount of rebate due in respect of all certificates of exports received during that month and shall prepare a consolidated statement to arrive at the amount of rebate due to His Majesty's Government of Nepal.
4. One copy of the recapitulation statement shall be forwarded to the Commissioner of Central Excise concerned for verifying the payment of rebate to Nepal Government and for issue of a post audit certificate in respect of the amount allowed as rebate against each invoice passed in that bill. In order to detect errors in the duty amount and quantity indicated. Internal Audit Department of the Commissionerate concerned should check this factor by comparison with the recapitulation statement forwarded by the Directorate and the monthly return of the factories concerned.
5. Where any over payment is noticed the fact should be brought to the notice of the Directorate for making necessary adjustment.
6. One copy of the recapitulation statement shall be forwarded to His Majesty's Government of Nepal.
7. One copy of the recapitulation statement shall remain as office copy with the Directorate.
8. After receiving the recapitulation statement, the Commissioner will get a verification conducted that the concerned factories have actually paid the duty of excise against which the rebate is to be given and the Commissioner/PAO of that Commissionerate shall furnish a certificate to the Directorate to the effect that all the concerned factories have paid the amounts of duty as indicated in the Annexure to the recapitulation statement.
9. In case the Directorate does not receive the duplicate copy of the invoice from the Officer in-charge of the Indian Land Customs Station and the triplicate copy is not received by the Nepal Government, necessary check should be made with the officer in-charge of the Indian Land Customs Station concerned as to the whereabouts of the particular invoice.

4. Review of the working of the procedure. - The representatives of the two Governments shall meet to make a half-yearly review of the working of simplified procedure.

Explanation I - "Duty" means for the purposes of this notification, duties of excise collected under the following enactment, namely:

1. the Central Excise Act, 1944;
2. the Additional Duties of Excise (Goods of Special Importance) Act, 1957 (58 of 1957);
3. the Additional Duties of Excise (Textiles and Textile Articles) Act, 1978 (40 of 1978);

4. Special excise duty collected under a Finance Act.

Explanation II - The expression 'electronic declaration' means the declaration of the particulars relating to the export goods, lodged in the Customs Computer System, through the data-entry facility provided at the Service Centre or the data communication networking facility provided by the National Informatic Centre, from the authorised person's computer.

Explanation III - For the purpose of this notification, "Maritime Commissioner" means the Commissioner of Central Excise under whose jurisdiction one or more of the port, airport or post office of exportation is located in Mumbai, Kolkata, Chennai, Paradeep, Visakhapatnam, Cochin, Kandla and Tuticorin.

Annexure-I

Range.....

Division.....Address.....

Commissionerate.....

Original (White)

Duplicate (Buff)

Triplicate (Pink)

Quadruplicate (Green)

FORM A.R.E. 1

Application for removal of excisable goods for export by (Air/Sea/Post/Land)*

To

Superintendent of Central Excise

.....(Full Postal Address)

1. Particulars of [Assistant/Deputy Commissioner of Central Excise]/Maritime Commissioner of Central Excise from whom rebate shall be claimed/with whom bond/undertaking is executed and his complete postal address.

2. I/We ofpropose to export the under-mentioned consignment to (Country of destination) by Air/Sea/Land/Parcel Post under claim for rebate/bond/undertaking*.

Particulars of Manufacturer of goods-and his Central Excise Registration No.	No. and Description of packages	Gross weight/ Net weight	Marks and Nos. on packages	Quantity of goods	Description of goods
(1)	(2)	(3)	(4)	(5)	(6)

Value	Duty	No. and date of Invoice under which duty was paid/No. and date of bond/undertaking executed under Rule 19	Amount of Rebate claimed	Remarks
Rate		Amt. (Rs.)		
(7)	(8)	(9)	(10)	(11) (12)

3. I/We hereby certify that the above- mentioned goods have been manufactured.

(a) availing facility/without availing facility of CENVAT credit under CENVAT Credit Rules, 2001

(b) availing facility/without availing facility under Notification 41/2001-Central Excise (N.T) dated 26th June, 2001 issued under rule 18 of Central Excise(No.2) Rules, 2001.

(c) availing facility/without availing facility under Notification 43/2001-Central Excise (N.T) dated 26th June, 2001 issued under rule 19 of Central Excise (No.2) Rules, 2001.

4. I/We hereby declare that the export is in discharge of the export obligation under a Quantity based Advance Licence/Under Claim of Duty Drawback under Customs & Central Excise Duties Drawback Rules, 1995.

5. I/We hereby declare that the above particulars are true and correctly stated.

Time of Removal.....

Signature of owner or his

Authorised agent with date.

Name in Block Letters & Designation (SEAL)

PART A

Certification by Central Excise Office

1. Certified that duty has been paid by debit entry in the Personal Ledger Account No.and/or CENVAT Account Entry No..... **or** recorded as payable in Daily Stock Account, on the goods described overleaf.

OR

Certified that the owner has entered into Bond No. under Rule 19 of Central Excise (No.2) Rules, 2001 with the.....[F.No.], duly accepted by the Assistant Commissioner/Deputy Commissioner of Central Excise on(Date).

2. Certified that I have opened and examined the packages No..... and found that the particulars stated and the description of goods given overleaf and the packing list (if any) are correct and that all the packages have been stuffed in the container No. with Marks and the same has been sealed with Central Excise Seal/One Time Seal (OTS) No.
3. I have verified with the records, the exporter is only availing the export incentives, as specified in box No.6. and found it to be true.
4. Certified that I have drawn three representative samples from the consignment (wherever necessary) and have handed over, two sets thereof duly sealed to the exporter/his authorised representative.

Place.....

Date

Signature	Signature
(Name in Block Letters)	(Name in Block Letters)
Superintendent of Central Excise	Inspector of Central Excise

PART B

CERTIFICATION BY THE CUSTOMS OFFICER

Certified that the consignment was shipped under my supervision under Shipping Bill No..... dated by S.S./Flight No. which left on the day of (Month).....(year)

OR

Certified that the above-mentioned consignment was stuffed in Container No..... belonging to Shipping Line..... based on the "Let Export Order" given on day of.....(Month).....year) on the Shipping Bill No..... dated..... and sealed by seal/one time lock No..... in my supervision and the container was handed over to the Custodian M/s..... for being shipped via(Name of the Port).

OR

Certified that the above-mentioned consignment has been duly identified and has passed the land frontier today at..... in its original condition under Bill of Exports No..... Place..... Date.....

Signature

(Name and designation of the Customs

Officer in Block Letters)/(Seal)

PART C

EXPORT BY POST

Certified that the consignment described overleaf has been despatched by foreign post to on day of 200.....

Place

Date

Signature of Post Master

(Seal)

PART D

REBATE SANCTION ORDER

(On Original, Duplicate and Triplicate)

Refund Order No..... dated Rebate of Rs..... (Rupees) sanctioned
vide Cheque No.dated

Place

Date

Assistant/Deputy Commissioner/ Maritime

Commissioner of Central Excise

*Strike out inapplicable portions.

NOTE:

Annexure-II

INVOICE

ORIGINAL

DUPLICATE

TRIPLICATE

QUADRUPLICATE

Invoice of goods liable to Central Excise Duty in India transmitted under Central Excise Seal to Nepal

Invoice No. _____ Date _____

Range _____ Division _____ Commissionerate _____ from _____
(factory/warehouse) by _____

through the Border Post of. _____

(Merchant's Name) _____

Marks and numbers of packages	Marks and numbers of packages	Numbers and description of packages	Description of good with tariff classification	Net weight, value or quantity	Value (words and figures)	Rate of duty	Amount of duty paid or payable (In Words and figures)	Number and date of document under which Central Excise Duty was paid or is payable	Gross weight of packages	Number and date of railway receipt, if any

1. We hereby declare that the above-mentioned particulars are true and correctly stated and that the consignment of goods is intended for export to Nepal _____(place) and shall not be diverted en route to any other country.

Signature

of exporter or his authorised agent.

Place:

Date:

(To be printed overleaf)

2. Certified that the above-mentioned packages have been identified by me and sealed with the Central Excise seal under my supervision.

Signature and designation
of the Officer of Central Excise.

Running Serial No.

Date:

(to be given in red ink and encircled by the Border Examiner)

3. Certified that the above-mentioned consignment has been duly identified by me and has passed the Border Customs Post.

(Running Serial number of the Border Check Post

to be written in red ink prominently encircled)

Signature and designation of the Indian
Officer-in-charge of the Border Customs Postat_____.

4. Certified that the above-mentioned consignment/packages have been duly identified by me and have

been received and accounted for in Nepal.

Signature and designation
(with official seal) of Nepalese Customs Officer.
Check Post _____

F.No. 209/18/2001-CX.6

(P.K. Sinha)
Under Secretary to the Government of India