

Notification No.41/2001-Central Excise (N.T.)

In exercise of the powers conferred by of rule 18 of the Central Excise (No.2) Rules, 2001, the Central Government hereby directs that rebate of whole of the duty paid on excisable goods (hereinafter referred to as 'materials') used in the manufacture or processing of export goods shall, on their exportation out of India, to any country except Nepal and Bhutan, be paid subject to the conditions and the procedure specified hereinafter: -

(1) Filing of declaration. - The manufacturer or processor shall file a declaration with the Assistant Commissioner of Central Excise or the Deputy Commissioner of Central Excise having jurisdiction over the factory of manufacture describing the finished goods proposed to be manufactured or processed along with their rate of duty leviable and manufacturing/processing formula with particular reference to quantity or proportion in which the materials are actually used as well as the quality. The declaration shall also contain the tariff classification, rate of duty paid or payable on the materials so used, both in words and figures, in relation to the finished goods to be exported;

(2) Verification of Input-output ratio. - The Assistant Commissioner of Central Excise or the Deputy Commissioner of Central Excise shall verify the correctness of the ratio of input and output mentioned in the declaration filed before commencement of export of such goods, if necessary, by calling for samples of finished goods or by inspecting such goods in the factory of manufacture or process. If, after such verification, the Assistant Commissioner of Central Excise or the Deputy Commissioner of Central Excise is also satisfied that there is no likelihood of evasion of duty, he may grant permission to the applicant for manufacture or processing and export of finished goods.

(3) Procurement of material. - The manufacturer or processor shall obtain the materials to be utilised in the manufacture of the finished goods intended for export directly from the registered factory in which such goods are produced, accompanied by an invoice under rule 11 of the Central Excise (No.2) Rules, 2001 :

Provided that the manufacturer or processor may procure materials from dealers registered for the purposes of the CENVAT Credit Rules, 2001 under invoices issued by such dealers.

(4) Removal of materials or partially processed material for processing. - The Assistant Commissioner of Central Excise or the Deputy Commissioner of Central Excise may permit a manufacturer to remove the materials as such or after the said materials have been partially processed during the course of manufacture or processing of finished goods to a place outside the factory -

1. for the purposes of test, repairs, refining, reconditioning or carrying out any other operation necessary for the manufacture of the finished goods and return the same to his factory without payment of duty for further use in the manufacture of finished goods or remove the same without payment of duty in bond for export, provided that the waste, if any, arising in the course of such operation is also returned to the said factory of the manufacture or process; or
2. for the purpose of manufacture of intermediate products necessary for the manufacture or processing of finished goods and return the said intermediate products to his factory for further use in the manufacture or process of finished goods without payment of duty or remove the same, without payment of duty for export, provided that the waste, if any, arising in the course of such operation is also returned to the factory of manufacturer or processor;
3. Any waste arising from the processing of materials may be removed on payment of duty as if such waste is manufactured or processed in the factory of the manufacturer or processor;

(5) Procedure for export. - the goods shall be exported on the application in Form A.R.E. 2 specified in the Annexure and the procedures specified in Ministry of Finance (Department of Revenue) notification No.40/2001-Central Excise (N.T.) dated 26th June, 2001 or in notification No. 42/2001-Central Excise dated 26th June, 2001 shall be followed.

(6) Presentation of claim of rebate. - The claim for rebate of duty paid on materials used in the manufacture or processing of goods shall be lodged only with the Assistant Commissioner of Central Excise or Deputy Commissioner of Central Excise having jurisdiction of the place approved for manufacture or processing of such export goods.

Explanation: "Duty" for the purpose of this notification means duties of excise collected under the following enactments, namely: -

1. the Central Excise Act, 1944 (1 of 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.

Annexure

ARE 2 No. _____

Original (White)

Duplicate (Buff)

Triplicate (Pink)

Quadruplicate (Green)

Quintuplicate (Blue)

Combined application for removal of goods for export under claim for rebate of duty paid on excisable materials used in the manufacture and packing of such goods and removal of dutiable excisable goods for export under claim for rebate of finished stage Central Excise Duty or under bond without payment of finished stage Central Excise Duty leviable on export goods.

To

The Superintendent of Central Excise.

(Address)

_____ (full postal address)

1. Particulars of the Assistant Commissioner of Central Excise or the Deputy Commissioner of Central Excise from whom rebate shall be claimed / with whom bond is executed and his complete postal address _____

2. I / We _____ of _____ propose to export the under mentioned goods (details of which are given in Table 1 below) to _____ (country of destination) by *air/sea / land /post parcel* under claim for rebate of duty paid on excisable materials used in the manufacture and packing of such goods.

3. *The finished goods being exported are not dutiable

or

We intended to claim the rebate of Central Excise Duty paid on clearances of goods for export under notification 40/2001-Central Excise (N.T) dated 26th June, 2001 issued under Rule 18 of Central Excise (No.2) Rules, 2001.

or

The Export goods are intended to be cleared without payment of Central Excise Duty under notification 42/2001-Central Excise (N.T) dated 26th June, 2001 issued under Rule 19 of Central Excise (No.2) Rules, 2001.

TABLE 1

(Details of goods to be exported)

Sl. No.	Description of packages	Marks & Nos. on packages	Gross Weight	Net Weight and quantity of goods**	Description of finished goods	Value	Finished Stage Central Excise Duty	Invoice No. & date	Bond/Undertaking executed under rule 19 (if any)	Amount of Rebate Claimed under Rule 18	Remarks	
Rate	Amount											
1	2	3	4	5	6	7	8	9	10	11	12	13

*Strike out portion not applicable **Quantity of goods to be furnished in units of sale where it is different than weight. #Write NA where exports are under bond/letter of undertaking in terms of Rule 19 or where goods are not chargeable to duty

TABLE 2

Details of duty paid excisable Materials and Packing materials used in manufacture of export goods for which rebate under notification _____ dated _____ is being claimed

S. No.	Name/description of materials/ packing with technical specification/ Quantity	Central Excise Tariff Sub-heading	Unit	Qty used	Name of Supplier	Invoice No. & Value/ Unit Rs.	Assessable Value/ Unit Rs.	Rate of Central Excise duty	Duty Amt. per unit Rs.	Total Wastages	Rebate admissible under Rule 18 Rs.	Remarks	
Recoverable	Irre- coverable												
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)

Declaration :

(a) We hereby certify that we have not availed facility of CENVAT credit under CENVAT Credit Rules, 2001

(b) We hereby declare that the export is not in discharge of export obligation under a Value based Advance Licence issued prior to 31.03.95

(c) We hereby declare that the materials on which input stage rebate is claimed are not sought to be imported under a Quantity Based Advance Licence issued prior to 31.03.95.

(d) We further declare that we shall not claim any Drawback on export of the consignment covered under this application.

(e) I / We hereby declare that the above particulars are true and correctly stated.

(f) We have been granted permission by Assistant Commissioner of Central Excise or Deputy Commissioner of Central Excise Vide C.No. _____ date _____ for working under Notification _____ dated _____ .

Time of Removal _____

Signature of owner or his authorised agent with date

Name in Block Letters & Designation

Note 1: The A.R.E. 2 should be submitted by the manufacturer at least 24 hours intended removal of goods for export, to the superintendent of Central Excise.

Note 2 : A running serial of the factory starting with one every financial year should be allotted to every A.R.E. 2

FOR DEPARTMENT USE

PART A

CERTIFICATION BY THE CENTRAL EXCISE OFFICER

1. Certified that

*duty has been paid on the goods described above or duty is payable as recoded at entry number ____ in Daily Stock Account.

or

*the owner has entered into B-1 bond No. _____/given an Undertaking _____ under Rule 19 of Central Excise (No.2) Rules, 2001 with the _____ or *the finished goods being exported are not dutiable

2. Certified that I have opened and examined the packages No. _____ and found that the particulars stated and the description of goods given overleaf read with the invoice and the packing list (if any) 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 (OST) No. _____

3. I have verified with the records, the declaration of the manufacture given at Sl. No. 3 overleaf regarding non availment of credit under rule CENVAT Rules and found it to be true.

4. Certified that I have drawn three representative samples from the consignment and have handed over two sets thereof duly sealed to the manufacturer/ his authorised representative. (wherever feasible)

5. Certified that the material consumption"s indicated in Table 2 overleaf are in accordance with the declaration No. _____ filed by _____ on _____

Place : _____

Date : _____

Signature

Signature

(Name in Block Letters) (Name in Block Letters)

Superintendent of Central Excise

Inspector of Central Excise

*Strike out inapplicable portions

Note 3 : The details given in table 2 may be verified by the Superintendent of Central Excise subsequent to clearances. For this purpose a detailed verification report may be submitted by the Superintendent to the Assistant Commissioner of Central Excise along with Triplicate copy of A.R.E. 2

Note 4 : The original -duplicate and sixuplicate shall be returned to the manufacturer for presenting to the Customs Officer.

PART B

Certification by the Customs Officer

1. Certified that I have examined the consignment described overleaf, and the seals on the packages were found intact and I have satisfied myself that particulars of the consignment are as specified overleaf except for the shortages mentioned below:

2. Certified that the exports are not under Duty Drawback Scheme. It is further certified that exports are not in discharge of export obligation under Value Based Advance Licence or a Quantity Based Advance Licence issued before 31.03.95.

3. Certified that all copies of Shipping Bill / Bill of export contain endorsement of A.R.E. 2 No. in the space provided for indicating ARE 1.

4. Certified that the consignment was shipped under my supervision under *Shipping Bill No. / Bill of Export No. _____ dated _____ which left for _____ on _____ / which passed the frontier on _____

Duplicate copy of A.R.E. 2 Forwarded to Assistant/Deputy Commissioner of Central Excise on

Place

Date Signature

(Name and designation of the Customs Officer in Block letters)

(Seal)

Note 5 : The customs shall send the duplicate to the address given at Sl. No. 1 over leaf and handover original and sixuplicate to the exporter

PART C*

Rebate Sanction Order Under Rule 18(1)

(On Original, Duplicate and Triplicate)

Refund Order No. _____ dated _____ Rebate of Rs. _____ (Rupees _____ sanctioned vide
cheque No. _____ dated _____

Place _____

Date _____

Assistant/Deputy Commissioner of Central Excise

PART D

Rebate Sanction Order under rule 18(2)

(On Original, Duplicate and Triplicate)

Refund Order No. _____ dated _____ Rebate of Rs. _____ (Rupees
_____ sanctioned vide cheque No. _____ dated _____

Place _____

Date _____

Assistant/Deputy Commissioner of Central Excise

*Strike out inapplicable portions

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

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

(P.K. Sinha)

Under Secretary to the Government of India