

Notification No.42/2001-Central Excise (N.T.)

In exercise of the powers conferred by sub-rule (3) of rule 19 of the Central Excise (No.2) Rules, 2001, the Central Board of Excise and Customs hereby notifies the conditions and procedures for export of all excisable goods, except to Nepal and Bhutan without payment of duty from the factory of the production or the manufacture or warehouse or any other premises as may be approved by the Commissioner of Central Excise, namely: -

1. Conditions: -

1. that the exporter shall furnish a general bond in the Form specified in Annexure-I to the Assistant Commissioner of Central Excise or the Deputy Commissioner of Central Excise having jurisdiction over the factory, warehouse or such approved premises, as the case may be, or the Maritime Commissioner or such other officer as authorised by the Board on this behalf in a sum equal at least to the duty chargeable on the goods, with such surety or sufficient security, as such officers may approve for the due arrival thereof at the place of export and their export therefrom under Customs or as the case may be postal supervision. The manufacturer-exporter may furnish a letter of undertaking in the Form specified in Annexure-II in lieu of a bond.
2. that goods shall be exported within six months from the date on which these were cleared for export from the factory of the production or the manufacture or warehouse or other approved premises within such extended period as the Assistant Commissioner of Central Excise or Deputy Commissioner of Central Excise or Maritime Commissioner may in any particular case allow;
3. that when the export is from a place other than registered factory or warehouse, the excisable goods are in original packed condition and identifiable as to their origin;
4. that exports of mineral oil products falling under Chapter 27 of the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986) as stores for consumption on board of an aircraft on foreign run shall be subject to conditions and limitations, to be applied mutatis mutandis, as notified in the Ministry of Finance (Department of Revenue), Notification No.40/2001-Central Excise (N.T.) dated 26th June, 2001 issued under rule 18 of Central Excise (No.2) Rules, 2001.

2. Procedure: -

(i) Procedure for removal without payment of duty under this notification: - (a) After furnishing bond, a merchant-exporter shall obtain certificates in Form CT-1 specified in Annexure-III issued by the Superintendent of Central Excise having jurisdiction over the factory or warehouse or approved premises or Maritime Commissioner or such other officer as may be authorised by the Board on this behalf and on the basis of such certificate he may procure excisable goods without payment of duty for export by indicating the quantity, value and duty involved therein;

(b) the exporter who has furnished bond shall ensure that the debit in bond account does not exceed the credit available therein at any point of time;

(c) the manufacturer-exporter may remove the goods without payment of duty after furnishing the letter of undertaking as specified under condition (i).

(d) such General bond or letter of undertaking shall not be discharged unless the goods are duly exported, to the satisfaction of the Assistant Commissioner of Central Excise or the Deputy Commissioner of Central Excise or Maritime Commissioner or such other officer as may be authorised by the Board on this behalf within the time allowed for such export or are otherwise accounted for to the satisfaction of such officer, or until the full duty due upon any deficiency of goods, not accounted so, and interest, if any, has been paid.

(ii) 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 A.R.E.-1 specified in Annexure-IV to the Superintendent or Inspector of Central Excise 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 and retain the quadruplicate copy;

(c) the triplicate copy of application shall be sent to the officer to whom bond or letter of undertaking has been furnished, either by post or by handing over to the exporter in a tamper proof sealed cover after posting the particulars in official records;

(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) 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 to

which it refers, to the postmaster at the office of booking.

(iii) 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, warehouse or any approved premises, 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, warehouse, any such approved premises within twenty four hours of removal of the goods;

(b) the Superintendent or Inspector of Central Excise shall, after verifying the particulars of the bond or letter of undertaking and endorsing the correctness or otherwise, of the particulars on the application, send to the officer to whom the bond or letter of undertaking has been furnished either by post or by handing over to the exporter in a tamper proof sealed cover after recording the particulars in the official records;

(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 to which it refers, to the postmaster at the office of booking.

(iv) 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 goods with the particulars as specified 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 Commissioner of Customs or the other duly appointed officer shall return the original and quadruplicate (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, with whom the exporter has furnished bond or a letter of undertaking.

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

(v) Cancellation of applications: (a) If the excisable goods are not exported, the Assistant Commissioner of Central Excise or the Deputy Commissioner of Central Excise or Maritime Commissioner or such other officer as authorised by the Board on this behalf, as the case may be, to whom the bond or letter of undertaking has been furnished, may, on written request for cancellation of application, cancel said application and allow diversion of goods for consumption in India subject to the sub-Para (b);

(b) The exporter shall pay the duty as specified in the application along with interest at the rate of twenty four percent per annum on such duty from the date of removal for export from the factory or warehouse or any other approved premises till the date of payment of duty.

(vi) Procedure in respect of exported goods subsequently re-imported and returned to the factory: (a) Exported excisable goods which are re-imported for carrying out repairs, re-conditioning, refining, re-making or subject to any similar process may be returned to the factory of manufacture for carrying out the said processes and subsequent re-export.

(b) Any waste or refuse arising as a result of the said processes shall be removed from the factory on payment of appropriate duty or destroyed after informing the proper officer in writing at least 7 days in advance and after observing such conditions and procedure as may be specified by the Commissioner of Central Excise and thereupon the duty payable on such waste or refuse may be remitted by the said Commissioner of Central Excise.

Explanation I. - For the purpose of this notification, "merchant-exporter" mean any exporter who procures and exports excisable goods manufactured by any other person.

Explanation II. - 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.

GENERAL BOND (SURETY/SECURITY)

General Bond with surety/security for removal for export of excisable goods without payment of duty for export

	<p>I/Weof..... hereinafter called "the obligor(s)" and of.....hereinafter called "the surety(ies)"/ am/are held and firmly bound to the President of India (hereinafter called the "President") in the sum of.....rupees to be paid to the President for which payment will and truly to be made/ I/We jointly and severally bind myself/ourselves and my/our respective heirs, executors/ administrators, legal representatives/successors and assigns by these presents] :</p> <p>I/We.....of.....hereinafter called "obligor(s)"I/am/are held and firmly bound to the President of India (hereinafter called "the President") in the sum of.....rupees to be paid to the President of India for which payment will and truly to be made, I/We jointly and severally bind myself/ourselves and my/our respective heirs/ executors/ administrators/ legal representatives/successors and assigns by these presents];</p> <p>Dated this.....day of.....</p> <p>WHEREAS the above bounden obligor has been permitted to remove from time to time the excisable goods from his registered warehouse/registered factory atfor export to foreign countries without payment of duty;</p> <p>AND WHEREAS the Commissioner has required the obligor to deposit as security for the amount of this bond/ the sum of rupees in cash (the securities as hereinafter mentioned of a total value of rupees endorsed in favour of the President and accepted on his behalf by the Assistant Commissioner of Central Excise or Deputy Commissioner of Central Excise, namely, and whereas the obligor has furnished such guarantee by depositing with the Commissioner the cash/securities as aforementioned;</p>
For surety bond	
For security bond	The condition of this bond is that if the obligor and his representative shall observe all the provisions of the Central Excise (No.2) Rules, 2001 and all such amendments thereto as may be issued from time to time to be observed in respect of export of excisable goods to a foreign country or manufacture of goods and export thereof under rule 19;
For security bond only	And whereas the obligor(s) has /have furnished such guarantee by depositing with the Assistant Commissioner of Central Excise or the Deputy Commissioner of Central Excise the cash/securities/bank guarantee as aforementioned. And shall observe all the provisions of the Central Excise (No.2) Rules, 2001 or the provisions of other rules made under the Central Excise Act, 1944 (1 of 1944) and all such amendments thereto, as may be issued from time to time so far as they relate to the export of excisable goods without payment of the whole or part of the duty;
For surety bond only	And if the relevant and specific goods are duly exported to destination within such time as specified in the Central Excise (No.2) Rules, 2001 or notifications issued thereunder and/or if all dues whether excise duty or other lawful charges, which shall be demandable on the goods removed by the obligor(s) without payment of the whole or part of the duty and transported from the place of procurement for export as shown by the Central Excise records, be duly paid into the treasury to the account of the Commissioner of Central Excise along with such interest as may be specified in the said rules,/notification within ten days of the date of demand thereof being made in writing by the said Officer of Central Excise, this obligation shall be void.
For security bond only	OTHERWISE and on breach or failure in the performance of any part of this condition, the same shall be in full force and virtue:
	Provided always that the liability of the surety hereunder shall not be impaired or discharged by reason of any time being granted or any forbearance, act or omission of the Government (whether with or without the knowledge or the consent of the surety) in respect of or in relation to the obligation and condition to be performed or discharged by the obligor(s) nor shall it be necessary to sue the obligor(s) before suing the surety for amounts hereunder;
	AND the President shall, at his option, be competent to make good all the loss and damages from the amount of the security deposit or by endorsing his rights under the above-written bond or the both;
	I/We further declare that this bond is given under the orders of the Central Government for the performance of enact in which the public are interested.
	In these presents the words imposing singular only shall also include the plural and vice versa where the context so requires;
	IN THE WITNESS THEREOF these presents have been signed the day hereinbefore written by the obligor(s) and the surety(ies).

Signature(s) of obligor(s).

Date:

Place:

Witnesses

1. Name and Address Occupation
2. Name and Address Occupation

Date

Place

Signature(s) of surety (ies).

Date:

Place:

Witnesses

1. Name and Address Occupation
2. Name and Address Occupation

Accepted by me this.....day of(month).....(year)

.....of Central Excise, (Designation)

for and on behalf of the President of India.

Annexure-II

FORM UT-1

Letter of Undertaking

For removal for export of excisable goods without payment of duty

To

The President of India (hereinafter called the "President"), acting through the Assistant Commissioner of Central Excise or Deputy Commissioner of Central Excise or the Maritime Commissioner or such Central Excise Officer duly authorised by the Central Board of Excise and Customs, constituted under the Central Board of Revenue Act, 1963 (54 of 1963) (hereinafter called "the Board").....[Address of the office].

I/Weof..... (Address of the factory) having Central Excise Registration No....., hereinafter called "the undertaker(s) including my/our respective heirs, executors/ administrators, legal representatives/successors and assigns by these presents, hereby jointly and severally undertake on this.....day of..... to the President.

1. to export the excisable goods removed from my/our factory/warehouse/approved place of storage without payment of duty under rule 19 of the Central Excise (No.2) Rules, 2001 within six months from the date of such removal or such extended period as may be permitted by the jurisdictional Assistant Commissioner of Central Excise or the Deputy Commissioner of Central Excise or the Maritime Commissioner or the Central excise Officer duly authorised by the Board;
2. to observe all the provisions of the Central Excise (No.2) Rules, 2001 and all such amendments thereto as may be issued from time to time to be observed, in respect of export of excisable goods to a foreign country;
3. to export the goods to the satisfaction of the Assistant Commissioner of Central Excise or the Deputy Commissioner of Central Excise having jurisdiction over the factory of production or manufacture
4. pay the excise duty payable on such excisable goods in the event of failure to export them, along with an amount equal to twenty four percent interest per annum on the amount of duty not paid, from the date of removal for export till the date of payment.

I/We declare that this undertaking is given under the orders of the Board for the performance of enacts in which the public are interested.

Signature(s) of undertaker(s).

Date :

Place :

Witnesses

1. Name and Address Occupation
2. Name and Address Occupation

Date

Place

Accepted by me on this.....day of

.....(month).....(year)

.....of Central Excise, (Designation)

for and on behalf of the President of India.

Annexure-III

Serial Number _____ / ____ - ____ (Financial Year).

Range

Division

Commissionerate

FORM CT-1

**Certificate for procurement of excisable goods for export without
payment of duty**

This is to certify that,

1. The exporter has furnished a Bond in Form [Specific/General]* for Rs _____, which has been accepted by the Assistant Commissioner of Central Excise/the Deputy Commissioner of Central Excise in F.No. _____ on the _____ day of the _____ (month) _____ (Year).

OR

Mr./Messrs. _____ (Name and address) is/are registered under rule 9 of Central Excise (No.2) Rules, 2001 in this Range, having registration number _____ has furnished an undertaking in the form specified under Notification No. /2001-Central Excise (N.T.) dated to the Assistant Commissioner of Central Excise/the Deputy Commissioner of Central Excise, _____ (Name of the Division or the Office) who has accepted the undertaking in F.No. _____ on the _____ day of the _____ (month) _____ (Year).

2. The above-said exporter/manufacturer-exporter is permitted to obtain excisable goods for export under rule 19 of the Central Excise (No.2) Rules, 2001 as per details specified overleaf. This certificate is valid upto one year from the date of issue specified below.

Name and Signature of the

Superintendent of Central Excise

["Seal"]

Dated:

(Address of the Range Office)

(To be printed overleaf)

To be filled by the exporter

For Procuring Goods under the procedure specified under

Notification No. 42/2001-Central Excise (N.T.) dated 26th June, 2001 issued rule 19 of the Central Excise (No.2) Rules, 2001

Name and address of the factory/ _____

warehouse/place of storage of the supplier _____

Registration Number of the factory/warehouse _____

Details of the goods to be procured

Sl. No.	Description	Quantity	Value	Duty involved

I hereby declare that I have made a provisional debit of Rupees (in both words and figures) in the Bond Account at serial No..... dated and on this day and after the abovementioned debit, the balance in the Bond Account is Rs.

OR

Please find attested copy of the specific bond/Undertaking details of which is specified by the Superintendent of Central Excise, _____ (address) overleaf.

(Dated signature of the Exporter(s)

or his/ their authorised agents

and their seal.

Annexure-IV

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.

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

F.No.209/19/2001-CX.6

(P.K. Sinha)

Under Secretary to the Government of India