

**Circular No. 1019/7/2016-CX**

**F. No. 96/18/2016-CX.I**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**Central Board of Excise & Customs**

New Delhi, dated the 29<sup>th</sup> February, 2016

To

Principal Chief Commissioner / Chief Commissioner of Central Excise (All),

Principal Chief Commissioner / Chief Commissioner of Central Excise and Service  
Tax (All),

Principal Commissioner of Central Excise, Service Tax (All),

Web-master, CBEC

Madam/sir,

**Subject: Change in rate of interest on goods warehoused for export, when  
cleared to DTA- reg.**

Kind attention is invited to Board's Circular No. 581/18/2001-CX, dated 29.06.2001, specifying conditions, procedures, class of exporters and places under sub-rule (2) of rule 20 of Central Excise (No. 2), Rules, 2001 for Central Excise who can avail facility of export warehousing.

2. Paragraph 10.3 in the said circular deals with liability of interest on goods, warehoused for export, when diverted for home-consumption. In the said paragraph 10.3, for the words, symbols and figures, "interest @ 24% per annum ", the words,

symbols and figures, "interest @ 15% per annum ", shall be substituted. The change would bring down the rate of interest to fifteen per cent. per annum.

**3.** This circular shall come into force on 1.4.2016. Field formations may be suitably informed. Receipt of this Circular may please be acknowledged. Hindi version will follow.

(Santosh Kumar Mishra)  
Under Secretary to the Government of India