

OFFICE OF THE COMMISSIONER OF CENTRAL EXCISE
THIRUCHIRAPALLI-1.

TRADE NOTICE : 152 / 2003

Dated: 11.12.2003

Sub: Acceptance of self-declaration as to the non-availment of
Cenvat facility for extending the duty drawback – Reg.

Copy of Board's Circular No.96 / 2003 - Customs dated: 14.11.2003
{F.No.609/162/2002-DBK} is communicated herewith.

The contents of the Trade Notice may be brought to the knowledge of
all constituent members of Trade Associations / Chamber of Commerce.

(Issued from file C.NO.IV/16/4/2003-C.Ex.Pol)

//ATTESTED//

SUPERINTENDENT (T)

Sd/xxx

(D.P. NAIDU)

JOINT COMMISSIONER (Tech)

To
As per mailing list I, II, III /
All Sections in Hqrs., Trichy.

Copy of Board's Circular No.96 / 2003 - Customs dated: 14.11.2003

Sub: Acceptance of self-declaration as to the non-availment of
Cenvat facility for extending the duty drawback – Reg.

Attention is invited to the Ministry's Circular No.8/2003-Cus, dated 17th February, 2003 and Circular No.65/2003-Cus dated 28.7.2003. Through these Circulars, issued in the wake of Kelkar Committee's recommendations, it was prescribed that henceforth the manufacturer-exporters who are not registered with Central Excise or such merchant exporters whose supporting manufacturer are not registered with the Central Excise, shall not be required to furnish any certificate as to the non-availment of Cenvat facility from the jurisdictional Central Excise authorities for the purposes of claiming of duty drawback.. It was, however, provided vide para 5 of Circular No.65/2003-Cus that in respect of registered manufacturer exporters as well as merchant exporters with registered supporting manufacturers, the fact of non-availment of CENVAT facility could be verified from the ARE-I.

2. Through Central Excise Circular No. 705/21/2003-CX.6 dated 8.4.2003, Board, after considering the specific situation of the readymade garment sector, has decided to extend the Simplified Export Procedure to the ready made garments (both- knitted and woven categories) because these manufacturers primarily export almost all of their production and their clearances of rejects and waste for home consumption are minimal. Therefore, according to this procedure, their exports can be cleared on the invoices instead of regular ARE-I.

3. The trade has represented that despite the extension of such facility, registered manufacturer-exporters are required to produce a certificate as to non-availment of CENVAT facility as even though they are not clearing the goods under ARE-I, they have not been exempted from giving a

certification as to non-availment of CENVAT facility in terms of para 4 of Circular No.8/2003-Cus. dated 17.2.2003.

4. The issue has been examined. It has been decided that for the sake of harmony, the readymade garments (knitted / woven) manufacturer-exporters shall also be paid drawback merely on the basis of a self-declaration as to the non-availment of CENVAT facility.

5. However, in order to safeguard revenue and to rule out the possibility of any mis-declaration by the exporters, it is considered necessary that the declarations given by the exporters be selectively picked up and sent to the jurisdictional Central Excise field formations for random verification. Commissioner of Customs may kindly devise a suitable procedure for selection of such declarations and forwarding of the same to the Central Excise field formations. Any instances of mis-declaration noticed pursuant to the Central Excise verification reports should be dealt with stringently and exemplary punishment should be meted out.

Sd/xxx

S.S. Renjhen

Joint Secretary to the Government of India