Export Procedures under bond/LUT without payment of duty

1. The exporter should submit a letter of undertaking in Form UT-1 to the jurisdictional ACCE/DCCE. The LUT is normally valid for a period of twelve calendar months.
2. The exporter shall take steps to get the goods ready for dispatch. He shall examine the packages and the exporter should submit a Letter of Undertaking in Form UT-1 to the ACCE/DCCE having jurisdiction over his factory or premises from where the goods are cleared for export.
3. The exporter has to get the goods ready for dispatch. The packages should be checked and sealed either a person who has been duly authorized in this regard.
4. The Excise invoice should mention —FOR EXPORT WITHOUT PAYMENT OF DUTY.
5. Apart from this, a specified form (Form ARE 1) in quadruplicate (a quintuplicate copy can be raised to claim other export benefits desired).
6. Clearance of goods details are to be made in the Daily Stock Account (DSA).
7. Each of the ARE 1 copies has to be certified by the authorized person to oversee the self-sealing and self-certification process. The Original and Duplicate copies of ARE 1 goes with the goods to the place of export and the Triplicate and Quadruplicate copies would be sent to the jurisdictional Superintendent of CE within 24 hours of the removal. (Where a quintuplicate copy is maintained, the same may be sent with the Original and can be used for claiming any other export incentive).
8. At the place of export, the Customs officer authorized would examine the goods and documents and certify on the copies that the goods have been exported with the Shipping Bill reference and other details.
9. The said officer would return the original and quintuplicate (if filed) to the exporter and the duplicate may be sent either directly to the ACCE/DCCE with whom the LUT is filed or given in a tamper proof cover to the exporter who would then hand it over to such officer.
10. The exporter shall file a statement in the prescribed format (Annexure 19) at least once in a month giving details of exports made and the proof of shipment received for earlier clearances as well as the cases where the proof is pending along with the copies of ARE-1 form as specified above.

Procedure for removal of excisable goods to EOU's without payment of duty

The procedure for removal of goods to EOU is issued in terms of Rule 20 of Central Excise Rules, 2002 vide. Circular no. 851/9/2007-CX., dated 03.05.2007.

The company has to examine whether the EOU unit to whom the company is supplying the goods has obtained a valid letter of permission/letter of intent issued by the development commissioner to establish a 100% EOU.

The company has to obtain a CT-3 certificate from the EOU unit, which has been obtained from Jurisdictional Superintendent or Assistant/Deputy Commissioner of Customs and Central Excise, as the case may be.

Procedure in respect of goods removed from a factory or warehouse:

a) For removal from the factory or warehouse to the EOU, the company has to prepare an application in form ARE-3 in quadruplicate. The company shall also prepare an invoice in the manner specified as per Rule 11 of Central Excise Rules, 2002.
b) The company has to send original, duplicate and triplicate copies of ARE-3 applications and original and duplicate copy of invoice along with the goods sent to the EOU unit.
c) The quadruplicate copy of the ARE-3 application has to be sent to the Jurisdictional Superintendent of Central Excise of the factory of the company within 24 hours of the removal of the goods.
d) On receiving the goods into the premises of the EOU unit, the EOU shall verify the number, quantity, weight, description, value, duty etc. with the contents mentioned in the ARE-3 application and in invoice and shall make entry in the register maintained for this purpose containing information relating to details of ARE-3 and invoice.
e) The EOU shall endorse a certificate of warehousing on the application ARE-3. The EOU shall intimate the arrival of the goods, with all the all the three copies of ARE-3 applications to the Jurisdictional Superintendent of Central Excise of the EOU.
f) The Jurisdictional Superintendent appoints a bond officer for verification of the arrival of the goods. The bond office conducts physical verification of the goods within 24 hours of the intimation of the arrival the goods. After varication by the bond office goods shall be warehoused and the entry in the register shall be countersigned by the bond officer.
g) The bond officer submits a report to the Jurisdictional Superintendent, then he endorse the certificate of warehousing on all the copies of ARE-3 applications. Then, Superintendent issues original copy of ARE-3 to the Jurisdictional Superintendent of Central Excise of the factory of the company, duplicate copy to the Company and triplicate copy to the EOU. A photocopy of original would be retained by him.

h) The duplicate copy of ARE-3 application with the certificate of warehousing, which is duly endorsed by the EOU and countersigned by the Jurisdictional Superindent of EOU shall be received within 90 days from the date of the removal of the goods.
i) If the company has not received ARE-3 application within 90 days, then company has to intimate the Juisdicational Superintendent of the factory or warehouse.

Procedure for removal of excisable goods to SEZ's without payment of duty

Following are the procedures to be followed by the company situated in Domestic Tariff Area (DTA) who intends to remove the goods to SEZ without payment of duty.

a) When the Company removes the goods to the SEZ unit or developer, on behalf of the Company, SEZ unit or developer shall file a bill of export giving therein complete description, model, make, specifications, nature of the goods such as capital goods, raw materials, spares, consumables, with specially stamped endorsement as "special economic zone cargo" along with an invoice, packing list and purchase order for noting and assessment of the bill of export in the zone.
b) The bill of export shall be assessed by the customs officer in the zone and shall be submitted to the proper officer having jurisdiction over the company and this can be treated as permission for removal of goods to SEZ unit or developer.
c) The Company in DTA shall be allowed to remove the goods under the cover of the ARE-1 and assessed bill of export.
d) The copy of bill of export and ARE-1 with the endorsement by the authorized officer for receiving the goods into the SEZ area has to be received and submitted to the jurisdictional superintendent of the company in DTA within 45 days.
e) If the company failed to receive and submit the copy of bill of export and ARE-1 within 45 days, the jurisdictional superintendent may demand a duty against the company in DTA.
f) The copy of bill of export and ARE-1 with the endorsement by the authorised officer for receiving the goods into the SEZ area shall be treated as proof of export.

Procedure to be followed for Notification No. 83/94- CE dated 11.04.1994

1. The SSI supplier (who is also a manufacturer and not merely a trader) has to file an undertaking with jurisdictional Asst Commissioner of Central Excise. The undertaking should accompany the consent letter from the job-worker.
2. The undertaking should be in respect of the whole year wherein he undertakes that
    (i) the specified goods received from the job worker will be used in his own factory

for the manufacture of specified goods exempted under Notification No. 8/2003 – CE.

(ii) the waste or by product shall used by the job worker in or in relation to the manufacture of the specified goods or the waste of by product will be returned to the supplier and which will be used in or in relation to the manufacture of the specified goods.

(iii) in the event of failure, he will pay the excise duty on such goods, but for the exemption under this notification,

3. The SSI manufacturer seeking to receive inputs for job work should intimate in to the jurisdictional Asst Commissioner of Central Excise (ACCE) with a copy to the Range Superintendent of Central Excise.(SCE) that the goods will be received from the supplier for undertaking job work under Notification No. 83/94.
4. The letter accompany the copy of the undertaking given by the supplier
5. The supplier should ensure that-
    (i) the manufacturer, i.e. raw material or semi-finished goods supplier is a manufacturer of goods and
    (ii) the specified goods received from the job-worker is further used in relation to the manufacture of specified goods and not cleared as such.
6. The supplier has to remove the goods to the job-worker under the cover of a challan. The challan shall be prepared in triplicate. Ready Annexure – II challans available in the market can be used after numbering the same.
7. The original and duplicate copy of the challan shall be accompanied with the goods.
8. The SSI manufacturer shall maintain a simple account in the form for removal and receipt of the processed specified goods from the job-worker.
9. Similarly the job-worker shall also maintain a simple account for receipt and removal of processed specified goods.
10. After the completion of process, the job-worker shall make suitable endorsement on both the copies of challan and return the processed goods along with the duplicate copy of the challan.
11. On receipt of the endorsed duplicate challan from the job-worker, the supplier has to make a necessary entry in the job work register maintained for the purpose.