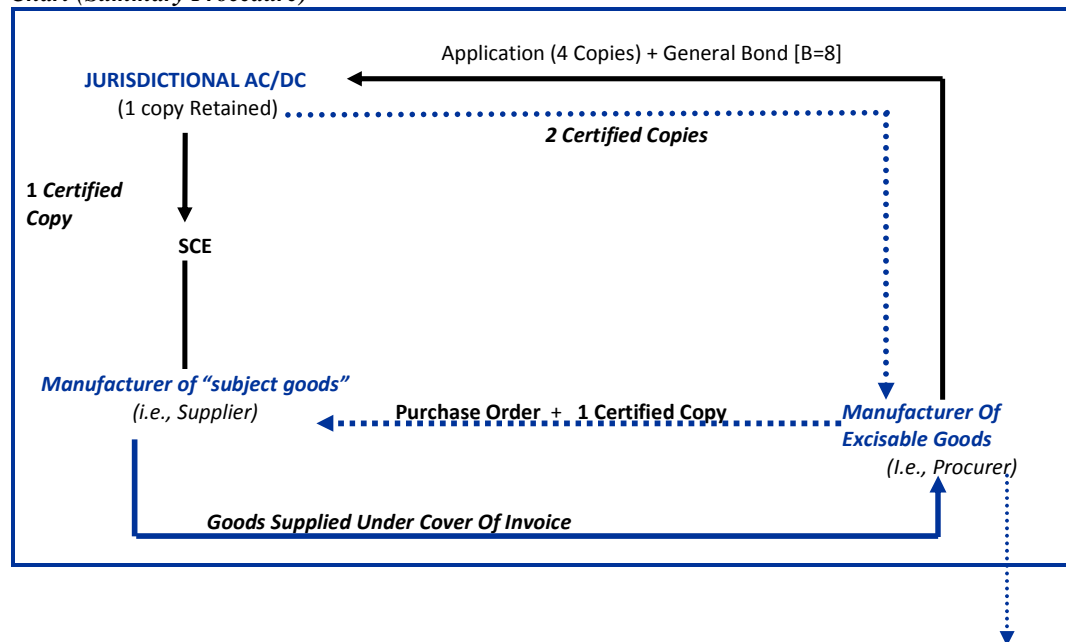


SHORT REVISIONARY KONCEPTS

CENTRAL EXCISE (REMOVAL OF GOODS AT CONCESSIONAL RATE OF DUTY FOR USE IN MANUFACTURE OF EXCISABLE GOODS) RULES, 2001

"Procedure for availing end used based exemption notification"

Chart (Summary Procedure)



Obligations : (Rule 5)

- Maintain Proper Accounts** as to receipt, utilization & inventory of such goods; &
- Submit MONTHLY RETURN** to the AC/DC with whom Bond has been executed. *(by 10th of Next Month)*

Note 1: Failure in Utilisation of Goods for Specified

Purposes ---- Consequences [Rule 6]

Procurer shall be liable to pay :

- Differential ED thereon** [i.e., Duty without applying the E/N less duty already paid thereon, if any]
- Interest thereon @ 13% p.a.**

It would be immaterial whether non-utilisation is due to loss/Destruction of goods – due to Natural Reason or --- Due to Unavoidable accident.

[Even on following losses – Differential duty is payable]

a) **Transit Loss:**

- From Supplier's Place to Procurer's Place
- From Procurer's Place to Supplier's Place

b) **Storage Loss:**

- In store of Procureur]

However, Procureur would be within his right to **RETURN** goods if not in a position to use them on account of any **one of the following reasons:**

- Goods received were **Defective or Damaged**
- Goods received were **not suitable for intended use**
- Goods received were **Surplus to the requirement**

On returned goods --- Differential Duty shall not be payable by the Procureur

Such returned goods shall be added by Supplier to the **NON-DUTY PAID STOCK**.