

INDIRECT TAXES UPDATE – 142

CENTRAL EXCISE

Bulk Cargos exempted from sealing in packages or container

CBEC vide *Notification No. 42/2001 - CX (NT), Dated: June 26, 2001* had provided the procedure for export under bond without payment of duty.

Now, CBEC vide *Notification No. 23/2015-Central Excise (N.T.), Dated: October 30, 2015* has amended the said procedures thereby exempting bulk cargo from sealing in packages or container. Further, such exemption from sealing of package or container would be granted by the Principal Chief Commissioner or Chief Commissioner of Central Excise subject to safeguards as may be specified by him in the permission, which may include:

- i. method of verification of quantity and quality of goods including testing of goods where necessary at the place of removal or dispatch and at the port of export or SEZ, where the goods are received;
- ii. no remission of duty for loss of goods within transit;
- iii. permission on case to case basis for a specified period not exceeding one year at a time and may be withdrawn in case of misuse; and
- iv. any additional safeguards as may be specified"

In addition to above, CBEC has also prescribed the following procedure for allowing export without sealing in packages or container:

- i. The assessee who desires to avail facility of export of bulk cargo without sealing shall write to the Principal Chief Commissioner/Chief Commissioner of Central Excise with a copy to jurisdictional Assistant/ Deputy Commissioner of Central Excise, giving details of bulk cargo to be exported with proper justification regarding difficulties faced by him in sealing of the cargo.
- ii. The Jurisdictional Assistant/ Deputy Commissioner after receipt of such application from the exporter shall forward it to the Principal Commissioner/Commissioner with his comments within fifteen days of receipt of such application with due verification as needed.
- iii. The Jurisdictional Principal Commissioner/Commissioner of Central Excise forward all such application to the Principal Chief Commissioner/Chief Commissioner of Central Excise with his recommendation within three weeks of receipt of the application with report from the Assistant/Deputy Commissioner. The jurisdictional Principal Commissioner/Commissioner of Central Excise shall also consult the Principal

Commissioner/Commissioner having jurisdiction over the port of export or Development Commissioner of SEZ where the goods are received and incorporate the inputs appropriately in his recommendation.

- iv. Principal Chief Commissioner/Chief Commissioner of Central Excise shall grant or reject the request for waiver of sealing of bulk cargo with in fifteen days of receipt of the application from the Principal Commissioner/Commissioner of Central Excise.
- v. The final decision taken on the application shall be communicated to the applicant in writing along with conditions and safeguards prescribed, if any.

[Notification No. 23/2015-Central Excise (N.T.), Dated: October 30, 2015; Circular No. 1011/18/2015-CX., Dated: October 30, 2015]

Source: www.cbec.gov.in

Disclaimer

Information published in the newsletter are taken from publicly available sources and believed to be accurate. The Indirect Taxes Committee of ICAI takes no responsibility of accuracy and reliability of information published in the newsletter. No part of this newsletter may be reproduced, stored in a retrieval system, or transmitted in any form or by any means – electronic, mechanical, photocopying, recording, or otherwise without the permission of

ICAI Feedback

The Indirect Taxes Update is an endeavour of the Indirect Taxes Committee to apprise the readers about the amendments made in various central indirect tax laws vide significant notifications, circulars etc. We welcome your feedback on the Update and its contents. Please email at itdc@icai.in for feedback.

You can also write to:

Secretary

Indirect Taxes Committee

The Institute of Chartered Accountants of India

ICAI Bhawan A-29, Sector -62, NOIDA (U.P.) India

Website: www.idtc.icai.org