

**NOTIFICATION NO.50/94-CE(NT) DATED 22.9.94**

**EXPORT TO NEPAL – Payment of rebate of excise duty to His Majesty’s Government of Nepal – In exercise of the powers conferred by rule 12 of the Central Excise Rules, 1944, [the Central Govt. hereby directs that the rebate of duty paid on any excisable goods other than processed textile fabrics falling under Heading Nos.52.07, 52.08, 52.09, 54.06, 54.07, 55.11, 55.12, 55.13, 55.14 of the Schedule to the Central Excise Tariff Act, 1985 (5 of 1986) and on which duty of excise has been paid under Section 3A of the Central Excise Act, 1944 (1 of 1944), non-alloy steel ingots and billets] falling under sub-heading numbers 7206.90 and 7207.90 of the Central Excise Tariff Act, 1985 (5 of 1986), and non-alloy steel hot re-rolled products falling under sub-heading numbers 7211.11, 7211.19, 7211.30, 7211.52, 7211.59, 7211.60, 7211.92, 7211.99, 7213.90, 7214.90, 7215.90, 7216.10 and 7216.90 of the Central Excise Tariff Act, 1985 (5 of 1986) on which duty of excise has been paid under Section 3A of the Central Excise Act, 1944 (1 of 1944) shall, on their exportation from India to Nepal be granted to His Majesty’s Govt. of Nepal, if the following conditions are fulfilled, namely:-**

- (i) that the rebate does not, in each case, exceed the aggregate of the duty of Customs and additional duty of Customs levied by His Majesty’s Govt. of Nepal on such goods when they are imported into Nepal from any country other than India;
- (ii) that such export has been made in accordance with such procedure as [prescribed in Annexure-I or as] may be specified by the Central Board of Excise and Customs in this behalf;
- (iii) that the amount of duty paid on the goods exported and the date of payment thereof are established from the Central Excise records to the satisfaction of the officer competent to sanction such rebate;
- (iv) that where the goods are exported by land, the export takes place through any of the following border check-posts, namely, Sukhiapokhri, Panitanki, Jogbani, Jayanagar, Bairgania, Bhimnagar, [Bitamore(Sursand)], Raxaul, Sonauli, Barhni, Nepalganj Road, Shohratgar (Khunwa), Jarwa, Katarniaghat, Gauriphanta, Banbasa, Jhulaghat, Dharchula, Naxalbari, Galgalia, Kunauli, Sonabarsa, Tikonja, or such other check-post as may be specified by the Central Board of Excise and Customs; and
- (v) that the whole or that part of duty as is granted as rebate to the exporter is not allowed as rebate to His Majesty’s Govt. of Nepal.

## ANNEXURE-I

### Procedure for export to Nepal – Grant of rebate of Central Excise duty to His Majesty’s Govt. of Nepal.

When goods liable to duties of excise in India are dispatched to Nepal through land the exporter or his agent shall observe the following procedure of the registered factory or warehouse or premises as approved by the Commissioner of Central Excise, from where the excisable goods are removed for export to Nepal:-

- (i) he shall pay the duties of excise and other duties leviable on the goods, if not already paid;
- (ii) he shall clear the goods on the duty paying invoices which should be prepared in quadruplicate and marked “For export to Nepal”;
- (iii) thereafter, he shall present all the four copies of the invoice to the officer of Central Excise incharge of the factory or the warehouse;
- (iv) the packages/goods shall then be verified by the officer of Central Excise and deliver to the exporter or his agent together with the original copy of the invoice, duty completed and registered. The exporter or his agent shall then be free to remove the goods for export to Nepal, through the land customs station appointed under Clause (b) of Section 7 of the Customs Act, 1962 (52 of 1962) indicated on the respective invoices;
- (v) the duplicate and triplicate copies of the invoices shall be put in a cover and sealed and handed over to the exporter or his agent by the Central Excise Officer for being handed over to the officer of customs incharge of the land customs station mentioned in the invoice and through which the said goods are to be exported to Nepal. The quadruplicate copy of the invoice shall be retained by the Central Excise Officer;
- (vi) on arrival of the goods at the Land Customs Station such goods shall be presented by the exporter or his agent to the officer of Customs incharge of the land customs station along with the original copy of invoice accompanying the goods and the sealed cover containing duplicate and triplicate copies;
- (vii) the customs officer incharge of the land customs station shall –
  - (a) compare the original copy of the invoice with the duplicate and triplicate copies of the invoice;
  - (b) identify the containers with the particulars shown in the invoice;
  - (c) if the particulars are on the original copy of the invoice agree with the particulars on the duplicate and triplicate copies and the packages are satisfactorily identified, he shall make necessary entries in the goods to cross into Nepalese territory and certify accordingly on each of the three copies of the invoice and simultaneously visible and encircled against Item 4 on all the three

- copies of the invoice. He shall satisfy himself as to the identity of the containers and the goods from the particulars shown on the invoice and, if necessary, by opening and examining the goods;
- (d) deliver the original copy of the invoice duly endorsed to the exporter or his agent alongwith the goods for presentation to the Nepalese Customs Officer. He shall also send, directly the duplicate and triplicate copies of the invoice to the Nepalese Customs Officer incharge of the Checkpost through which the goods are to be imported into Nepal;
- (viii) the goods will then be produced before the Nepalese Customs Officer at the corresponding border checkpost along with the original copy of the invoice. The Nepalese Customs Officer, shall deal with the original copy as directed by His Majesty's Government of Nepal and return the duplicate copy, after endorsing his certificate of receipt of goods in Nepal direct to the officer of customs incharge of the land customs station;

2. the officer incharge of the land customs station shall forward the duplicate copy to the Deputy Director of Inspection, Customs and Central Excise, Nepal Refund Wing. For this purpose, the said officer incharge of the land customs station should keep a note of the return of duplicate copies from the Nepalese Customs Officer and remind the exporter for such copies as have not been received. The Directorate General of Inspection, Customs and Central Excise (Nepal Refund Wing), New Delhi shall maintain separate registers for each Indian Border Customs Check Post. The duplicate invoice will be entered in the respective registers showing the running serial number in the recapitulation statement register prescribed for the purpose. At the end of every month he shall calculate the amount of rebate due in respect of all certificates of exports received during that month and shall prepare a consolidated statement to arrive the amount of rebate due to His Majesty's Govt. of Nepal. One copy of the recapitulation statement shall be forwarded to the Commissioner of Central Excise concerned for verifying the payment of rebate to Nepal Government and for issue of a post audit certificate in respect of the amount allowed as rebate against each invoice passed in that bill. In order to detect errors in the duty amount and quantity indicated, Internal Audit Department of

the Collectorate concerned should check this factor by comparison with the recapitulation statement forwarded by the Directorate and the RT-12 return of the factories concerned. Where any over payment is noticed the fact should be brought to the notice of the Directorate for making necessary adjustment. One copy of the recapitulation statement shall be forwarded to His Majesty's Govt. of Nepal. One copy of the recapitulation statement shall remain as office copy with the Directorate.

After receiving the recapitulation statement, the Commissioner will get a verification conducted that the concerned factories have actually paid the duty of excise against which the rebate is to be given and the Commissioner/PAO of that Collectorate shall furnish a certificate to the Directorate of Inspection to the effect that all the concerned factories have paid the amounts of duty as indicated in the annexures to the recapitulation statement.

3. In case the Directorate does not receive the duplicate copy of the invoice from the Officer incharge of the Indian Land Customs Station and the triplicate copy is not received by the Nepal Govt., necessary check should be made with the officer incharge of the Indian Land Customs Station concerned as to the whereabouts of the particular invoice.
4. The representatives of the two Governments shall, as usual, meet to make a half yearly review of the working of simplified procedure.

### NEPAL INVOICE

#### **Invoice of goods liable to Central Excise Duty in India transmitted under Central Excise Seal to Nepal**

Invoice No.	dated	ORIGINAL
Range		DUPLICATE
(Division)		TRIPPLICATE
		QUADRUPPLICATE
(Factory of warehouse)		
Collectorate	_____ from _____	by _____
Through the Border Post of	_____	
(Merchant's Name)		

Marks and numbers of packages	Numbers and description of packages	Description of goods with tariff classification	Net weight, value or quantity	Value (words and figures)	Rate of duty
(1)	(2)	(3)	(4)	(5)	(6)

Amount of duty (words and figures)	Number and date of document under which Central Excise Duty was paid	Gross weight of packages	Number and date of railway receipt, if any	Remarks
(7)	(8)	(9)	(10)	(11)
				Rs.P.

- I/we hereby declare that the above mentioned particulars are true and correctly stated and that the consignment of goods is intended for export to Nepal \_\_\_\_\_(Place) and shall not be diverted en route to any other country.

**Place:** \_\_\_\_\_ **Signature of exporter or his authorized agent**

Date:

- Certified that the above-mentioned packages have been identified by me and sealed with the Central Excise seal under my supervision.

Running Serial No.

Signature and designation of the officer of Central Excise

Date:

(to be given in red ink and encircled by the Border Examine)

- Certified that the above-mentioned consignment has been duly identified by me and has passed the Border Customs Post.

(Running Serial Number of the Border Check Post to be written in red ink Prominently encircled)

Signature and designation of the Indian Officer in-charge of the Border Customs Post at \_\_\_\_\_

- Certified that the above-mentioned consignment/packages have been duly identified by me and have been received and accounted for in Nepal.

**Signature and designation**

(with official seal) of Nepalese Customs Officer.  
Check Post \_\_\_\_\_

**NOTIFICATION NO.40/2001-CE(NT) DATED 26.6.2001**

**G.S.R.** In exercise of the powers conferred by rule 18 of the Central Excise(No.2) Rules, 2001, the Central Govt. hereby directs that there shall be granted subject to conditions and limitations specified in paragraph 2 and procedures specified in paragraphs 3 and 4, -

- (a) rebate of whole of the duty paid on all excisable goods falling under the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986), except mineral oil products falling under Chapter 27 of the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986) exported as stores for consumption on board an aircraft on foreign run, on their exportation to any country except Nepal and Bhutan.
- (b) Rebate of whole of the duty paid on the excisable goods to the His Majesty's Govt. on their exportation to Nepal except that the rebate shall not, in each case, exceed the aggregate of the duty of Customs and additional duty of Customs levied by His Majesty's Govt. of Nepal on such goods when they are imported into Nepal from any country other than India; and
- (c) Rebate of whole of the duty paid on mineral oil products falling under Chapter 27 of the Schedule to the Central Excise Tariff Act, 1985 (5 of 1986) exported as stores for consumption on board an aircraft on foreign run except that in respect of the excisable goods mentioned in column (2) of the Table below, the rebate shall be reduced by the amount indicated in the corresponding entry in column (3) of the said Table.

**TABLE**

Sl.No.	Description of excisable goods	Amount
(1)	(2)	(3)
1.	Motor Spirit	Rs.48.88 per Kilolitre at fifteen degrees of Centigrade thermometer
2.	Kerosene and Aviation Turbine Fuel	Rs.24.94 per kilolitre at fifteen degrees of Centigrade thermometer
(1)	(2)	(3)
3.	Refined Diesel Oil, other than High Speed Diesel Oil	Rs.60.00 per kilolitre at fifteen degrees of Centigrade thermometer
4.	High Speed Diesel Oil	Rs.24.94 per kilolitre at fifteen degrees of Centigrade thermometer
5.	Vaporizing Oil	Rs.50.00 per kilolitre at fifteen degrees of Centigrade thermometer
6.	Diesel Oil not otherwise specified	Rs.53.39 per kilolitre at fifteen degrees of Centigrade thermometer
7.	Furnace Oil	Rs.21.05 per kilolitre at fifteen degrees of Centigrade thermometer

2. Conditions and limitations –

- (i) that the excisable goods shall be exported after payment of duty, directly from a factory or warehouse except as otherwise permitted by the Central Board of Excise and Customs by a general or special order;
- (ii) the excisable goods shall be exported within six months from the date on which they were cleared for export from the factory or warehouse or within such extended period as the Commissioner of Central Excise may in any particular case allow;
- (iii) that the excisable goods supplied as ship's stores for consumption on board a vessel bound for any foreign port are in such quantities as the Commissioner of Customs at the port of shipment may consider reasonable;
- (iv) that export to any country except Nepal, shall be made in accordance with the procedure set out in paragraph 3 of this notification;
- (v) the rebate claim by filing electronic declaration shall be allowed from such place of export and such date, as may be specified by the Board in this behalf;
- (vi) that in respect of the export to Nepal, -
  - (a) procedure specified in the paragraph 4 shall be followed;
  - (b) where the goods are exported by land, the export shall take place through any of the following land customs stations, Sukhiapokhri, Panitanki, Jogbani, Jayanagar, Bairgania, Bhimnagar, Bitamore(Sursand), Raxaul, Sonauli, Barhni, Nepalganj Road, Shohratgar (Khunwa), Jarwa, Katarniaghat, Gauriphanta, Banbasa, Jhulaghat, Dharchula, Naxalbari, Galgalia, Kunauli, Sonabarsa, Tikonja, or such other check-post as may be specified by the Central Board of Excise and Customs; and
  - (c) the whole or that part of duty as is granted as rebate to the exporter is not allowed as rebate to His Majesty's Govt. of Nepal.
- (vii) that the market price of the excisable goods at the time of exportation is not less than the amount of rebate of duty claimed;
- (viii) that the amount of rebate of duty admissible is not less than five hundred rupees;
- (ix) that the rebate of duty paid on those excisable goods, export of which is prohibited under any law for the time being in force, shall not be made.

3. Procedure for export to all countries except Nepal or Bhutan:

(1) Sealing of goods and examination at place of dispatch –

- (a) For the sealing of goods intended for export at the place of dispatch, the exporter shall present the goods along with four copies of application in the Form ARE-1 specified in Annexure-I to the Superintendent or Inspector of Central Excise having jurisdiction over the factory of production or manufacture or warehouse, who will verify the identity of goods mentioned in the application and the particulars of the duty paid or payable, and if found in order, he shall seal each package or the container in the manner as may be specified by the Commissioner of Central Excise and endorse each copy of the application in token of having such examination done;
- (b) The said Supdt. or Inspector of Central Excise shall return the original and duplicate copies of application to the exporter.
- (c) The triplicate copy of application shall be :-
  - (i) sent to the officer with whom rebate claim is to be filed, either by post or by handing over to the exporter in a tamper proof sealed cover after posting the particulars in official records, or
  - (ii) sent to the Excise Rebate Audit Section at the place of export in case rebate is to be claimed by electronic declaration on Electronic Data Inter-change system of Customs.
- (d) The exporter may prepare quintuplicate copy of application for claiming any other export incentive. This copy shall be dealt in the same manner as the original copy of application.
- (e) Where goods are not exported directly from the factory of manufacture or warehouse, the triplicate copy of application shall be sent by the Supdt. having jurisdiction over the factory of manufacture or warehouse who shall, after verification forward the triplicate copy in the manner specified in sub-paragraph( c).
- (f) In case of export by parcel post after the goods intended for export has been sealed, the exporter shall affix to the duplicate application sufficient postage stamps to cover postal charges and shall present the documents, together with the package or packages to which it refers, to the postmaster at the Office of booking.

(2) **Despatch of goods by self-sealing and self-certification. –**

- (a) Where the exporter desires self-sealing and self-certification for removal of goods from the factory or warehouse, the owner, the working partner, the Managing Director or the Company Secretary of the manufacturing

unit of the goods or the owner of warehouse or a person duly authorized by such owner, working partner or the Board of Directors of such Company, as the case may be, shall certify on all the copies of the application that the goods have been sealed in his presence, and shall send the original and duplicate copies of the application along with the goods at the place of export, and shall send the triplicate and quadruplicate copies of the application to the Supdt. or Inspector of Central Excise having jurisdiction over the factory or warehouse within twenty four hours of removal of the goods;

- (b) The said Supdt. or Inspector of Central Excise shall, after verifying the particulars of the duty paid or duly payable and endorsing the correctness or otherwise, of these particulars.
  - (i) send to the officer with whom rebate claim is to be filed, either by post or by handing over to the exporter in a tamper proof sealed cover after posting the particulars in official records, or
  - (ii) send to the Excise Rebate Audit Section at the place of export in case rebate is to be claimed by electronic declaration on Electronic Data Inter-change system of Customs.
- (c) The exporter may prepare quintuplicate copy of application for claiming any other export incentive. This copy shall be dealt in the same manner as the original copy of application.
  - (c) In case of export by parcel post after the goods intended for export has been sealed , the exporter shall affix to the duplicate application sufficient postage stamps to cover postal charges and shall present the documents, together with the package or packages to which it refers, to the postmaster at the Office of booking.

**(3) Examination of goods at the place of export**

- (a) On arrival at the place of export, the goods shall be presented together with original, duplicate and quintuplicate (optional) copies of the application to the Commissioner of Customs or other duly appointed officer.
- (b) The Commissioner of Customs or other duly appointed officer shall examine the consignments with the particulars as cited in the application and if he finds that the same are correct and exportable in accordance with the laws for the time being in force, shall allow export thereof and certify on the copies of the

application that the goods have been duly exported citing the shipping bill number and date and other particulars of export.

Provided that if the Supdt. or Inspector of Central Excise sealed packages or container at the place of dispatch, the officer of customs shall inspect the packages or container with reference to declarations in the application to satisfy himself about the exportability thereof and if the seals are found intact, he shall allow export.

(c) The officer of customs shall return the original and quintuplicate (optional copy for exporter) copies of application to the exporter and forward the duplicate copy of application either by post or by handing over to the exporter in a tamper proof sealed cover to the officer specified in the application, from whom exporter wants to claim rebate

(c) The exporter shall use the quintuplicate copy for the purposes of claiming any other export incentive.

#### **4. Presentation of claim for rebate to Central Excise-**

(a) Claim of the rebate of duty shall be lodged along with original copy of the application to the Asstt. Commissioner of Central Excise or the Deputy Commissioner of Central Excise having jurisdiction over the factory of manufacture or warehouse or, as the case may be, the Maritime Commissioner.

(b) The Asstt. Commissioner of Central Excise or the Deputy Commissioner of Central Excise having jurisdiction over the factory of manufacture or warehouse or, as the case may be, Maritime Commissioner of Central Excise shall compare the duplicate copy of application received from the Officer of Customs with the original copy received from the exporter and with the triplicate copy received from the Central Excise Officer and if satisfied that the claim is in order, he shall sanction the rebate either in whole or in part.

(5) **Claim of rebate by electronic declaration** – An exporter may enter the requisite information in the Shipping Bill filed at such place of export, as may be specified by the Board, for claiming rebate by electronic declaration on Electronic Data Inter-change system of Customs. The details of the corresponding application shall be entered in the Electronic Data Inter-change system of Customs upon arrival of the goods in the Customs area. After goods are exported or order under Section 51 of the Customs Act, 1962 (52 of 1962) has been issued, the rebate of excise duty shall, if the claim is found in order, be sanctioned and disbursed by the Asstt. Commissioner of Customs or the Deputy Commissioner of Customs.

- (6) **Special procedure for store for consumption on board as aircraft on foreign run:** Notwithstanding anything contained in this paragraph, in case of mineral oil products falling under Chapter 27 of the First Schedule to the Central Excise Act, 1985 (5 of 1986) exported as stores for consumption on board an aircraft on foreign run, the products as remain on board an aircraft after completion of an internal flight but prior to its reversion to foreign run, the rebate for which shall be granted without production of documents evidencing the payment of duty thereon. The proper officer of Customs shall certify in the manner specified by the Commissioner of Central Excise the quantity of products left on board for determining the quantum of rebate therefore.
- (7) **Cancellation of documents:** If the excisable goods are not exported, the Asstt. Commissioner of Central Excise or the Deputy Commissioner of C.Ex. shall cancel the export documents.

4. **Procedure for export to Nepal:**

- (1) **Procedure relating to removal of goods** – When goods liable to duties of excise in India are dispatched to Nepal through land, the exporter or his agent shall observe the following procedure at the registered factory or warehouse or premises as approved by the Commissioner of Central Excise, from where the excisable goods are removed for export to Nepal:-
- (a) Application in the form specified under Annexure-II, in quadruplicate, shall be presented to the jurisdictional Supdt. or Inspector or Central Excise along with the export goods.
- (b) The said officer shall verify the packages and the goods with reference to the declaration in the Application. If found in order, he shall deliver the goods, packages or container after sealing it, to the exporter or his agent together with the original copy of the invoice, duly completed and registered. The exporter or his agent shall then be free to remove the goods for export to Nepal, through the specified land customs stations.
- (C) The duplicate and triplicate copies of the invoices shall be put in a cover and sealed and handed over to the exporter or his agent by the Central Excise Officer for being handed over to the officer of Customs in-charge of the said land customs station.
- (d) The quadruplicate copy of the invoice shall be retained by the Central Excise Officer.

**(2) Procedure at the land customs station** - At the land customs station, the following procedure shall be followed, namely –

- (a) the exporter or his agent shall present the goods to the officer of Customs in-charge of the land customs stations along with the original copy of invoice and the sealed cover containing duplicate and triplicate copies.
- (b) Where the contents of all the copies of invoices tally and the packages, goods or container are satisfactorily identified with their seals in tact, the customs officer in-charge of the land customs station shall make necessary entries in the register maintained at the land customs station and allow the goods to cross into the territory of Nepal and certify accordingly on each of the three copies of the invoice and simultaneously indicate the running serial number in red ink prominently visible and encircled against Item 3 on all the three copies of the invoice. He may, to satisfy himself as to the identity of the packages, goods or containers from the particulars shown on the invoice, open container or packages and examine the goods, especially where the seals are broken.
- (c) The customs officer, then deliver the original copy of the invoice duly endorsed to the exporter or his agent along with the goods for presentation to the Nepalese Customs Officer. He shall also send, directly the duplicate and triplicate copies of the invoice to the Nepalese Customs Officer, shall deal with the original copy as directed by His Majesty's Govt. of Nepal and return the duplicate copy, after endorsing his certificate of receipt of goods in Nepal directly to the officer of customs in-charge of the land customs station;
- (d) The officer in-charge of the land customs station shall forward the duplicate copy to the Deputy Director of Inspection, Customs and Central Excise, Nepal Refund Wing. For this purpose, the said officer in-charge of the land customs station should keep a note of the return of duplicate copies from the Nepalese Customs Officer and remind the exporter for such copies as have not been received.

(2) Procedure to be followed by the Directorate General of Inspection, Customs and Central Excise (Nepal Refund Wing), New Delhi,-

- (a) The Directorate General of Inspection, Customs and Central Excise (Nepal Refund Wing), New Delhi [hereinafter referred to as "the Directorate"] shall maintain separate registers for each Indian Border Customs Check Post.
- (b) The duplicate invoice will be entered in the respective registers showing the running serial number in the recapitulation statement register prescribed for the purpose.
- (c) At the end of every month he shall calculate the amount of rebate due in respect of all certificates of exports received during that month and shall

prepare a consolidated statement to arrive at the amount of rebate due to His Majesty's Govt. of Nepal.

- (d) One copy of the recapitulation statement shall be forwarded to the Commissioner of Central Excise concerned for verifying the payment of rebate to Nepal Government and for issue of a post audit certificate in respect of the amount allowed as rebate against each invoice passed in that bill. In order to detect errors in the duty amount and quantity indicated. Internal Audit Department of the Commissionerate concerned should check this factor by comparison with the recapitulation statement forwarded by the Directorate and the monthly return of the factories concerned.
- (e) Where any over payment is noticed the fact should be brought to the notice of the Directorate for making necessary adjustment.
- (f) One copy of the recapitulation statement shall be forwarded to His Majesty's Govt. of Nepal.
- (g) One copy of the recapitulation statement shall remain as office copy with the Directorate.
- (h) After receiving the recapitulation statement, the Commissioner will get a verification conducted that the concerned factories have actually paid the duty of excise against which the rebate is to be given and the Commissioner/PAO of that Commissionerate shall furnish a verification to the Directorate to the effect that all the concerned factories have paid the amounts of duty as indicated in the Annexure to the recapitulation statement.
- (i) In case the Directorate does not receive the duplicate copy of the invoice from the Officer in-charge of the Indian Land Customs Station and the triplicate copy is not received by the Nepal Government, necessary check should be made with the officer in-charge of the Indian Land Customs Station concerned as to the whereabouts of the particular invoice.

5. **Review of the working of the procedure** – The representation of the two Governments shall meet to make a half-yearly review of the working of simplified procedure.

Explanation I – “Duty” means for the purposes of this notification, duties of excise collected under the following enactment, namely:-

- (a) the Central Excise Act, 1944;
- (b) the Additional Duties of Excise (Goods of Special Importance) Act, 1957 (58 of 1957);
- (c) the Additional Duties of Excise (Textiles and Textile Articles) Act, 1978 (40 of 1978);
- (d) Special excise duty collected under a Finance Act.

Explanation II – The expression ‘electronic declaration’ means the declaration of the particulars relating to the export goods, lodged in the Customs Computer System, through the data-entry facility provided at the Service Centre or the data communication

networking facility provided by the National Informatic Centre, from the authorized person's computer.

Explanation III – For the purpose of this notification, “Maritime Commissioner” means the Commissioner of Central Excise under whose jurisdiction one or more of the port, airport or post office of exportation is located in Mumbai, Kolkata, Chennai, Paradeep, Visakhapatnam, Cochin, Kandla and Tuticorin.

**NOTIFICATION NO.21/2002-CE(NT) DATED 14.5.2002**

**G.S.R.** (E) – In exercise of the powers conferred by rule 18 read with rule 33 of the Central Excise Rules, 2002, the Central Government hereby makes further amendments in the Notification of the Government of India, in the Ministry of Finance, Department of Revenue No.40/201-CE(NT) dated 26.6.2001, namely:-

In the said Notification,

- (i) under heading “4. Procedure for export to Nepal”, for sub-clause (d) of clause (2) the following shall be substituted, namely :-

“(d) the goods will then be produced before the Nepalese Customs Officer at the corresponding border check post along with the original copy of invoice. The Nepalese Customs Officer shall deal with the original copy as directed by His Majesty’s Govt. of Nepal and return the duplicate copy, after filling up the required information at serial numbers 1 to 4 in the part meant for the Nepalese Customs and after endorsing his certificate of the receipt of goods in Nepal direct to the officer of customs incharge of the land customs station”;

- (ii) for Annexure-II to the Notification, the following shall be substituted, namely:-

**Annexure-I**

**INVOICE**

ORIGINAL  
DUPLICATE  
TRIPLICATE  
QUADRUPPLICATE

**Invoice of goods liable to Central Excise Duty in India transmitted under Central  
Excise Seal to Nepal  
(Under DRP)**

**Invoice No.** \_\_\_\_\_ **-date** \_\_\_\_\_

**Range** \_\_\_\_\_ **Division** \_\_\_\_\_ **Commissionerate** \_\_\_\_\_

**From** \_\_\_\_\_ **(factory/warehouse) by** \_\_\_\_\_ **through the**  
**Border Post of** \_\_\_\_\_  
**Name and Address of importer in Nepal** \_\_\_\_\_

Marks and Numbers of packages	Number and description of packages	Description of goods with tariff heading/sub-heading	Gross weight of packages	Net weight of quantity	Value (words and figures)	Rate of Duty	Amount of duty paid or payable (in words and figures)	Number and date of document under which C.Ex. duty was paid or is payable	Num date recei recei carri

**I/we hereby declare that the above-mentioned particulars are true and correctly stated and that the consignment of goods is intended for export to Nepal \_\_\_\_\_ (place) and shall not be diverted to en route to any other country**

**Place:** \_\_\_\_\_ **Signature of exporter or his authorized agent**

2. Certified that the above-mentioned packages have been identified by me and sealed with the Central Excise seal under my supervision

Signature with date and designation  
Of the Officer of Central Excise

Running Sl.No.  
Date

3. Certified that the above-mentioned consignment has been duly identified by me and has passed the Border Customs Post into Nepal

Running Serial No. of the Border Check Post  
(to be written in red ink prominently encircled)

Signature with date and designation of  
the Indian Officer-in-charge of the  
Border Customs Post at \_\_\_\_\_

- 4(i) Certified that the above-mentioned consignment/packages have been duly identified by me and have been received and accounted for in Nepal.  
4(ii) It is also certified that the entries mentioned in the Table below are correct.

Table

Tariff Heading/Sub-heading	Value of the goods assessed	Effective rate of import duty and like charges levied by HMGN on similar goods imported from countries other than India	Amount of In duty assessed

Signature with date and designation (with official seal)  
Of Nepalese Customs officer  
Check Post \_\_\_\_\_

**PROCEDURE FOLLOWED IN PROCESSING OF DRP INVOICES AND  
SANCTION OF REBATE CLAIMS**

There has been steady increase in exports to Nepal under Duty Rebate Procedure (DRP). As a result, the number of invoices received by Nepal Refund Wing DGICCE from various border posts on the Indo-Nepal border has also increased. Further, as the rebate amount constitute considerable portion of the Customs receipts of HMG of Nepal to expedite the payment of rebate under DRP scheme. In this backdrop, it has been decided to fully computerize the processing of rebate amount by Nepal Refund Wing of DGICCE. The officers indicated below shall follow the below mentioned procedure in addition to the other work as may be assigned to them from time to time.

2. At present, the invoices are received by post from various border posts on the Indo-Nepal border by the Nepal Refund Wing of DGICCE. There are 22 border check posts on the Indo-Nepal border which are authorized to handle the exports under DRP as per Notification 50/94-CX(NT).

The following procedure shall be followed on receipt of invoices from various Border Posts.

**3. BORDER DIARY CLERK:**

As and when a post parcel containing duplicate invoices is received from a border post, the same should be checked with the forwarding letter of the LCS by the Border Diary Clerk who shall indicate the number of invoices received on the face of the same letter and if any discrepancy is noticed, the same shall also be mentioned there itself. Thereafter the invoices will be diarised and sorted out by Diary Clerk Commissionerate wise and handed to dealing hands. This exercise will repeated in respect of each Border post separately, from which invoices have been received. Thereafter, each and every invoice is to be affixed with the following stamp.

**Nepal Refund Wing**

Initials of the dealing	Initials of the Data Entry
Dealing hand with date	Clerk with date

**4. DEALING HANDS:**

The dealing hand shall arrange the invoices Commissionerate wise, exporter-wise (within the Border) for the purpose of expeditious checking and data entry. Each invoice is to be checked by the dealing hand, particularly, the Central Excise duty payment particulars with reference to the Central Excise Tariff of India. The rate of Customs duty as applicable under the Nepal Customs

Tariff for the same goods is also to be checked. Thereafter the actual rebate payable i.e. the lower of the above two, namely, the Central Excise duty paid as per Central Excise Tariff of India and the Customs duty payable under Nepal Customs Tariff, shall be indicated boldly in column "**Rate of duty**" on the invoice by the dealing hand. Value and rebate amount are also to be totaled, in case of more than one item are figuring in an invoice. After completing the above formalities, the dealing hand shall put his initials with date on the space earmarked in the above mentioned rubber stamp. Thereafter the invoices shall be forwarded to the EDP Centre for the purpose of data entry into the system.

#### **5. DATA ENTRY CLERK:**

On receipt of the invoices from the dealing hands, data entry clerk shall enter all the particulars including the Bill No., Border Post Code No., Commissionerate Code etc. After capturing all the data, the Data Entry Clerk shall initial on the space provided for in the invoice as a token of having entered the data relating to the said invoice in the system. At the end of the day, a computer print out shall be taken out borderwise, within the border sorted out Commissionerate wise, giving the following particulars namely:

Date: \_\_\_\_\_ Border \_\_\_\_\_

- i) Sl. No.
- ii) Commissionerate name
- iii) Exporter's name
- iv) Red Sl. No.
- v) Chapter No.
- vi) Assessable value
- vii) Rate of rebate payable
- viii) Rebate amount

The print out along with the connected invoices are to be forwarded to the dealing hands for the purpose of making endorsement on the stamp indicating the rebate amount in words and figures in a rubber stamp affixed on the reverse of the invoice. Thereafter the print out along with the connected invoices are to be forwarded to the Office Supdt. for the purpose of checking.

#### **6. OFFICE SUPDT.**

The Office Supdt. shall carry out all the necessary checks leading to the correctness of rebate amount payable in respect of all the invoices. In case of any entry requiring any modification and or amendment with regard to the rebate amount or any other particulars the Office Supdt. shall indicate the same on the print out and initials with date against the corrections on the print out. After completing his verification the Office Supdt. shall sign on the print out as a token of having verified the particulars on the same.

After completing the formalities, the print out along with respective invoices shall be forwarded to the ACAO.

**7. A.C.A.O.**

The A.C.A.O. shall carry out all the necessary checks including the correctness or amendments if any made by the Office Supdts. After satisfying the correctness of the rebate amount the ACAO shall sanctions the rebate amount and make necessary endorsement on all the invoices and also sign the print out as a token of having verified the correctness of the print out with reference to the respective invoices. In case of any modification and/or amendment with regard to the rebate amount or any other particulars the ACAO shall indicate the same on the print out and initials with date against the said amendment/correction.

**8. CORRECTIONS/AMENDMENTS TO THE DATA ENTRY:**

The corrections/amendments indicated on the print out by Office Supdt./ACAO, shall be carried out in the computer system by the Data Entry Clerk and after carrying out the corrections, he shall also affix his initials with the date on the print out as an evidence of having carried out the corrections. This shall be verified by the Office Supdts. And he shall also initial the print out after satisfying that the corrections have been properly carried out in the system.

9. After the rebate amount is sanctioned, all the invoices borderwise, shall be forwarded to the respective dealing hands for the purpose of safe custody and future reference. The dealing hand on receipt of the invoices shall sort out the same Commissionerate-wise, and keep safe custody of the same with the respective Recapitulation Statement and Work Sheet.

**10. GENERATION OF REPORTS ISSUE OF CHEQUE AND MAINTENANCE OF RECORDS.**

At the end of the month, the following reports shall be generated by the Data Entry Clerk and these reports are to be verified and cross checked before preparing the cheque in favour of Nepal Rashtra Bank by the Office Supdt. and ACAO with reference to the rebate amount payable under the particular bill. Once all the figures are cross tallied with each other report, and also with the checked print outs generated on daily basis, cheque in favour of Nepal Rashtra Bank shall be prepared by ACAO.

1. Border Diary Report:

At the close of every bill, a statement has to be generated, for each border, indicating the following particulars:

1. Sl. No.
2. Red Sl. No.

3. Commissionerate name (with code)
4. Assessable Value
5. Rate of rebate payable
6. Rebate amount

## 2. Summary of Border Diary Report:

Besides, for each Bill summary of Border Diary Report shall also be prepared indicating Sl. No., Border Post, Number of invoices processed, Assessable Value and Rebate amount payable.

The above two reports shall be maintained by the Border Diary Clerk. He shall maintain a separate file for each border. All Border Diary Report – SUMMARY shall be maintained in a separate file.

## 2. Recapitulation Statement Commissioneratewise:

**(sorted out Chapterwise and within the Chapter party wise)**

Commissionerate wise recapitulation statement is to be prepared for each bill, giving the following particulars:

1. Sl. No.
2. Invoice No. and date
3. Name of the exporter with Division and Range
4. Quantity
5. Value
6. Amount of duty
7. PLA No.RG-23 No./C.Ex. invoice No. with date
8. Name of the LCS
9. Red Sl. No. and date
10. Amount sanctioned

## 4. Work Sheet

Work Sheet is a summary of recapitulation statement and is prepared Commissionerate wise, Chapter wise showing the particulars such as Chapter No., number of invoices, amount of duty rebate sanctioned, cess and the value of goods exported.

The report at Sl.No. 3 & 4 shall be maintained by the respective dealing hands.

## 5. Broad Sheet

Broad Sheet gives the Commissionerate wise particulars of the number of invoices processed and the amount of rebate sanctioned and cess under a particular bill.

6. Statement of Rebate payable Commissionerate wise and Chapter wise

It is a matrix of Commissionerates and Chapters of Central Excise Tariff. Commissionerates constitute the rows and various Chapters of Central Excise Tariff constitute columns in this matrix. This statement gives the Chapterwise and Commissioneratewise rebate paid under a particular bill and also the aggregate of each of the above two categories. Both the aggregate should tally with each other.

The report at Sl. No. 5 and 6 shall be maintained by the General Correspondence Clerk, ear-marked for this purpose. He shall also maintain the verified print outs which are fully signed by the Office Supdt. and ACAO bill wise.

7. Post Audit Certificate (PAC)

After verification of the rebate amount the recapitulation statements (Commissionerate-wise) shall be handed over to the dealing hands for dispatch to the respective Commissionerates for and for issue of Post Audit Certificate in respect of the Central Excise duty collected and the amount of duty allowed as rebate against each invoice passed in the bill. On receipt of compliance reports from various Commissionerates, the respective dealing hands shall verify with the invoices which are kept Commissioneratewise and if any further clarification is required by the Commissionerate, communicate the same to the Commissionerate. He shall also carry out further necessary correspondence with the Commissionerate till all the entries are reconciled in a particular recapitulation statement.

8. Verification by AD (NRW)

After issue of cheque to HMG, he shall conduct a post audit of the work carried out on a selective basis and shall verify about 5% of the documents. He shall also sign the corrected documents as evidence of having verified the correctness of the rebate sanctioned.

9. Keeping Back-up of DATA:

It is advisable by NIC that the back up of data should be taken every month and the same should be stored in back up tapes instead of storing in floppies as the former is a better media for long time storage. Back up of each bill shall be stored in a separate tape and the tape should be duly labeled mentioning therein the bill number. This tape should be kept in the safe custody of Office Supdt. (NR Wing) as a record for any future reference. Even after taking the back up tape the data on the main system should not be deleted and at the end of every

year after checking the correctness of the figures, a consolidated back up shall be taken up and thereafter the data can be erased from the on-line system.