

G.S.R. (E).- In exercise of the powers conferred by rule 15 of the Central Excise Rules, 2002, and in supersession of the notification of the Government of India in the Ministry of Finance (Department of Revenue) No.34/2001-Central Excise, dated the 28<sup>th</sup> June, 2001 which was published in the Gazette of India vide number G.S.R. 492(E) of the same date, except as respects things done or omitted to be done before such supersession, the Central Government hereby specifies the excisable goods that is stainless steel pattis/pattas, falling under Chapter 72, or aluminium circles falling under Chapter 76 of the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986) subjected to the process of cold rolling with the aid of cold rolling machine in respect of which an assessee shall have an option to pay the duty of excise on the basis of cold rolling machine installed for cold rolling of these goods, and fixes the following rate of duty per cold rolling machine, per month:-

(i) stainless steel pattis or pattas	Thirty thousand rupees
(ii) aluminium circles produced from sheets manufactured on cold rolling machines	Twelve thousand rupees

Provided that no credit of duty paid on any raw materials, component part or machinery or finished products used for cold rolling of stainless steel pattis/pattas, or aluminium circles under the CENVAT Credit Rules, 2004 shall be taken :

Provided further that the procedure mentioned hereinafter is followed.

**2. Application to avail special procedure.** - (1) The manufacturer shall make an application in the form specified in Appendix-I to this notification to the Superintendent of Central Excise, as the case may be, for this purpose and the Superintendent, may grant permission for the period in respect of which the application has been made.

(2) The application shall be made so as to cover a period of not less than twelve consecutive calendar months, but permission may be granted for a shorter period for reasons to be recorded in writing, by the Assistant Commissioner or the Deputy Commissioner of Central Excise, as the case may be.

(3) If at any time during such period the manufacturer fails to avail himself of the procedure contained in this notification, he shall, unless otherwise ordered by the Assistant Commissioner or the Deputy Commissioner of Central Excise, as the case may be, be precluded from availing himself of such procedure for a period of six months from the date of such failure.

(4) If the manufacturer desires to avail himself of the procedure contained in this notification on the expiry of the period for which his application was granted, he shall, before such expiry, make an application to the Assistant Commissioner or the Deputy Commissioner of Central Excise, as the case may be, as under sub- paragraph (1) and on his failure to do so, he shall, except as provided herein, be precluded from availing himself of such procedure for a period of six months from the date of such expiry.

(5) Notwithstanding anything contained in sub-paragraph (1), an application made by a manufacturer, before the commencement of this notification, under sub-rule (1) of rule 96ZA of the Central Excise Rules, 1944, shall be deemed to be an application made under sub-paragraph (1) and the same shall be deemed to have been granted under sub-paragraph (1) and where such application has not been granted, the Assistant Commissioner or the Deputy Commissioner, as the case may be, shall dispose of the same as if it is an application under sub-paragraph (1).

**3. Discharge of duty liability on payment of certain sum.** - (1) A manufacturer whose application has been granted under paragraph 2 shall pay a sum calculated at the rate specified in this notification, subject to the conditions herein laid down, and such payment shall be in full discharge of his liability for duty leviable on his production of such cold re-rolled stainless pattas/pattis, or aluminium circles during the period for which the said sum has been paid :

Provided that if there is revision in the rate of duty, the sum payable shall be recalculated on the basis of the revised rate, from the date of revision and liability for duty leviable on the production of stainless steel pattis/pattas, or aluminium circles from that date shall not be discharged unless the differential duty is paid and in case the amount of duty so recalculated is less than the sum paid, the balance shall be refunded to the manufacturer :

Provided further that when a manufacturer makes an application for the first time under paragraph 2 for availing of the procedure contained in this notification, the duty liability for the month in which the application is granted shall be calculated *pro-rata* on the basis of the total number of days in that month and the number of days remaining in the month from the date of such grant.

(2) The sum payable under sub-paragraph (1) shall be calculated by application of the appropriate rate to the maximum number of cold rolling machines installed by or on behalf of such manufacturer in one or more premises at any time during three calendar months immediately preceding the calendar month in which the application under paragraph 2 is made.

(3) The sum shall be tendered by the manufacturer along with the application.

**4. Manufacturer's declaration and accounts.** - (1) The manufacturer who has been granted permission under paragraph (2) above shall make an application in the form specified in Appendix-II to this notification to the Superintendent-in-charge of the factory for permission to remove the stainless steel pattis/pattas, or aluminium circles from his premises during the ensuing month, declaring the maximum number of cold rolling machines installed by him or on his behalf, in one or more premises at any time during three calendar months immediately preceding the said calendar month in which such application is made.

(2) If such application is not made to the Superintendent of Central Excise within the time limit laid down in sub-paragraph (1), the manufacturer shall, unless, otherwise directed by the Assistant Commissioner of Central Excise or the Deputy Commissioner of Central Excise, and in exceptional circumstances, be liable to pay duty on his entire production of stainless steel pattis/pattas, or aluminium circles during the month or part thereof in respect of which the application was to be made, at the rate prescribed in the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986) read with any relevant notification issued under sub-section (1) of section 5A of the Central Excise Act, 1944 (1 of 1944).

(3) The manufacturer shall also intimate the Superintendent of Central Excise in writing of any proposed change in the number of cold rolling machines installed by him or on his behalf, and obtain the written approval of such officer before making any such change.

**5. Exemption from certain provisions etc.** - (1) During the period in respect of which any manufacturer has been permitted to avail himself of the procedure of this notification, he shall be exempt from the operation of rule 8 of the Central Excise Rules, 2002.

(2) Except in accordance with such terms and conditions as the Central Government may by notification specify in this behalf, no rebate of excise duty shall be paid under rule 18 of the said Central Excise Rules, in respect of any stainless steel pattis/pattas, or aluminium circles exported out of India, out of the stock produced by such manufacturer during such period.

**6. Provisions regarding new factories and closed factories resuming production.** - (1) In the case of a manufacturer who commences production for the first time or who recommences production after having ceased production for a continuous period of not less than three months, and who has been permitted by the Assistant Commissioner or the Deputy Commissioner of Central Excise, as the case may be, under paragraph 2 to avail of the procedure, the amount payable by him for the first month or part thereof, as the case may be, shall be provisionally calculated on the basis of his declaration of the maximum number of cold rolling machines that are or are likely to be installed by him or on his behalf during such period.

(2) At the expiry of the period, the amount payable shall be recalculated on the basis of the maximum number of cold rolling machines actually installed and if the initial payment falls short of the total liability so determined, the deficiency shall be recovered from the manufacturer and where the total liability is less than the initial deposit, the balance shall be refunded to the manufacturer.

**7. Power to condone failure to apply for special procedure.** - Notwithstanding anything contained in this notification, the Additional Commissioner, or as the case may be, the Joint Commissioner of Central Excise may, at his discretion, for reasons to be recorded in writing, and subject to such conditions as he may deem fit, apply the provisions contained in this notification to a manufacturer who has failed to avail himself of the special procedure, or to comply with any condition laid down in this notification.

**8. Provision regarding factories ceasing to work or reverting to the normal procedure.** - Notwithstanding anything contained in this notification, where a manufacturer who had availed himself of the procedure contained in this notification ceases to work or reverts to the normal procedure, the duty payable by him in the month during which he has availed himself of the procedure shall be calculated on the basis of the maximum number of cold rolling machines installed during the last month in the manner prescribed in paragraph 6 and the amount already paid for the month in accordance with paragraph 3 shall be adjusted towards the duty so calculated and on such adjustment if there is any excess payment it shall be refunded to the manufacturer and any deficiency in duty shall be recovered from the manufacturer.

*Explanation.* - A manufacturer, who ceases to work his factory for one or two shifts only, shall not be deemed to have ceased to work within the meaning of this notification.

9. **Confiscation and penalty.** - If any manufacturer contravenes any provision of this notification in respect of any excisable goods, then all such goods shall be liable to confiscation, and the manufacturer shall be liable to penalty under rule 25 of the Central Excise Rules, 2002.

**Appendix-I**  
(See paragraph 2)

**Form A S P II**

Application for permission to avail of the special procedure relating to stainless steel pattis or pattas or aluminium circles.

Name of the factory/factories.....Address.....

I/We.....manufacturers of stainless steel pattis or pattas/aluminium circles, residing at.....taluk/tehsil.....district....and holders of Central Excise Registration No.....dated.....hereby apply to avail myself/ourselves during the.....calendar month/the period beginning with.....20... and ending with ....20.... of the special procedure in respect of the production or transactions in such stainless steel pattis or pattas or aluminium circles at my/our above mentioned factory/factories.

2. I/We hereby agree to abide by the terms and conditions of the said procedure throughout the said period.

Place :

Date :

Signature of manufacturers or his/their authorised agent.  
Countersigned

.....  
Range.....  
Circle.....

Place :

Date :

Permission granted for the calendar month...../the period beginning with.... and ending with.....

Assistant Commissioner/Deputy  
Commissioner of Central Excise

Place :

Date :

Note: Delete the entries which are not applicable.

**Appendix-II**  
(See paragraph 4)

*Original*

*Duplicate*

*Triplicate*

*Quadruplicate*

**Application for removal of stainless steel pattis/pattas manufactured under the special procedure**

Name of the Factory ..... Address.....

1. I/We.....manufacturer of stainless steel pattis/pattas residing at..... Taluka/Tehsil..... District..... and holder of Central Excise Registration No. ....dated.....having been permitted to avail myself/ourselves of the special procedure contained in the notification issued under rule 15 of Central Excise Rules 2002, in respect of my/our production and transactions in such stainless steel pattis/pattas at the above-mentioned factory/factories hereby declare that I/we intend to install and employ the cold rolling machines for the production of stainless steel pattis/pattas during the year..... in the manner indicated below, and the total sum payable by me/us in terms of the provisions laid down in the notification in respect of the said period are stated hereunder :-

No. of cold rolling Machines to be installed and employed	Rate prescribed in Government of India Notification No. ___/2007-Central Excise, dated___	Sum payable	Total
(1)	(2)	(3)	(4)

2. I/We tender herewith the sum of Rs.....(Rupees.....only). The balance will be paid by me/us in monthly instalments.

3. I/We hereby declare that the particulars furnished herein are true and complete to the best of my/our knowledge and belief.

4. I/We apply for leave to remove from the above mentioned premises during the period from .....to.....any stainless steel pattis/pattas manufactured in the said premises during that period.

5. I/We understand that the permission accorded to me/us for the year.....is subject to my/our paying the balance amount as indicated in paragraph 2 above.

Place.....

Date .....

Signature of manufacturer or his authorised agent.

To

The Superintendent of Central Excise

.....Range

.....Division

**COUNTERSIGNED**

Place.....

Date .....

Superintendent of Central Excise

.....Range

.....Circle.

Statement of duty paid :

(a) For payment in cash at.....

Treasury  
State Bank of India  
Reserve Bank of India

(To be filled in by the manufacturer or his authorised agent)

Name of person tendering payment	Particulars of payment	Amount (in words as well as in figures)
(1)	(2)	(3)

Head of Account

038-Union Excise Duties- Stainless steel pattis/pattas

(b) Under the compounded levy scheme.

Date.....

Signature of the tenderer

(To be filled in by the Treasury or Bank)

**CERTIFICATE**

Deposit Number.....Date.....Received payment of rupees (in words).....

Signature of Treasurer or Accountant

Agent or Manager

(c) For payment through account-current :

Title of Account of Ledger	Number and date of entry	Amount (in words as well as in figures)
(1)	(2)	(3)

Place.....

Date.....

Signature of the manufacturer or his authorized agent.

(d) For payment through T.R.5/Special Revenue Money Order

Date of Payment	T.R.5 No./Special Money Order Coupon No.	Amount (in words as well as in figures)
(1)	(2)	(3)

Place.....

Date.....

Clearance allowed subject to fulfilment of the condition of deposits

Superintendent of Central Excise

Note: Delete the entries not applicable.

[F.No.334/1/2007-TRU]

(S. Bajaj)  
Under Secretary to the Government of India