

**Circular No. 900/20/2009-CX**

F.No.261/01/2008-CX-8  
Government of India  
Ministry of Finance  
Department of Revenue  
(Central Board of Excise & Customs)

New Delhi, dated the 6<sup>th</sup> October, 2009

To,

All Director Generals,  
All Chief Commissioners of Central Excise (including LTU),  
All Commissioners of Central Excise (including LTU).

Sir/ Madam,

**Subject: Permission to bring duty-paid packing materials into export warehouse under Rule 20 of Central Excise Rules - reg.**

Representations have been received from the Trade and the "field formations seeking clarification on the issue as to whether or not the duty paid packing material can be allowed to be brought in the export warehouse used for packing of export goods. The clarification has been sought in view of Para 7.2 of the Board's Circular No. 581/18/2001-CX dated 29.06.01 which provides that duty paid goods are not permitted to be brought into the warehouse. It has been stated that packing materials are normally procured in small quantities and the suppliers find it difficult to follow the bond procedure.

2. The matter has been examined. As per the provisions of Rule 20 of the Central Excise Rules, 2002, the goods can be removed from the factory without payment of duty to a warehouse from where the goods are allowed to be exported. The Board's Circular No. 581/18/2001-CX dated 29.06.01 prescribes the procedure to be followed for movement of goods to and from export warehouse. The purpose of allowing export warehouse is to facilitate export from the country. It is a fact that number of times packing material in small quantity is required at a short notice and the supplier may not be interested to follow the detailed procedure of removal of goods without payment of duty. Therefore, it has been decided that duty paid packing material can be brought into the export warehouse, but exporter would not be allowed to claim export benefit like rebate for the duty paid on the said packing material.

3. In view of above, in the above referred Circular, after para 7.2, following is inserted,-

"However, an exporter desirous of bringing duty paid packing material required for packaging of other material in the warehouse, may submit a written request to the jurisdictional AC/DC of the Division, who may grant the permission for a period of one year at a time. The exporter will maintain proper account of such goods and shall not claim any export benefit like rebate of duty paid on the said material."

4. Trade & Industry as well as field formations may be suitably informed.

5. Receipt of this circular may kindly be acknowledged.

6. Hindi version will follow.

Yours Yaithfully,

(Amish Kumar Gupta)  
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