

To,

All Members,

SUB: PROCEDURE FOR ISSUANCE OF CERTIFICATE BY THE COUNCIL VIDE NOTIFICATION NO. 12/2012-CUSTOMS dated 17/03/2012 as amended REG. GOODS TO BE IMPORTED IN THE MANUFACTURING OF HANDICRAFTS ITEMS FOR EXPORT PURPOSES.

We invite your kind attention to the circular regarding certification procedures for duty free import of embellishments / consumables, available to the registered exporters of the Council

The Council has made following modified procedure for issuance of certification in favour of a manufacturer member exporter of the Council/Merchant Exporters of the Council who is **tied-up** with the supporting manufacturer of handicrafts items:-

1. An exporter would submit to the EPCH a request for issuance of the said certificate and the application be supported with the following information / documents:-
 - i) A certificate of the export performance of the handicrafts for the preceding year in the format given in Appendix-23 (copy attached) duly certified by the Chartered Accountant. Such certificate is required only once in a year in original.
 - ii) A prescribed affidavit / declaration duly attested by Notary Public / Oath Commissioner on Rs.2 stamp paper. A specimen for the same for the use of a manufacturer exporter and for the use of Merchant exporter tied-up with supporting manufacturer of handicrafts is enclosed separately.
 - iii) Processing Charges of ₹ 500/- +12.36% (₹ 562/-) Service Tax per certificate per invoice if the CIF value of the import consignment is below ₹ 1 lakh and ₹.1000/- +12.36% (₹ 1124/-) Service Tax per certificate per invoice if the CIF value of the import consignment is ₹ 1 lakh and above by way of Demand Draft / Pay Order in favour of Export Promotion Council for Handicrafts, New Delhi.
 - iv) Copy of invoice to substantiate item(s) of import as well as its value.
 - v) Copy of RCMC issued by the Council as an registered member exporter.

On receipt of above documents, the Council would issue a certificate as required in the Para 15 (c) of the said notification. A format of the application is enclosed for information of the members.

[**RAKESH KUMAR**]
EXECUTIVE DIRECTOR

APPLICATION FOR ISSUANCE OF CERTIFICATE FOR DUTY FREE IMPORT OF CONSUMABLES FOR EXPORT PURPOSES VIDE PARA 15(C) OF NOTIFICATION NO. 12/2012-CUSTOMS dated 17/03/2012 as amended ISSUED BY DEPARTMENT OF REVENUE, MINISTRY OF FINANCE, GOVT. OF INDIA.

To,

The Export Promotion Council for Handicrafts
"EPCH HOUSE" Pocket 6 & 7, Sector 'C', LSC
Vasant Kunj, New Delhi -110070

1. Name & address of the applicant :
2. RCMC no. :
3. Name of the items being imported (Please clearly mention category of the item to be imported viz. Sl. No. 206 (a) to (za) of Notification No.12/2012-CUSTOMS dt. 17/03/2012 as amended) :
4. Quantity in Pcs, Kg or Mtr. :
5. CIF value of the item :
6. Export of handicrafts during Preceding year (Please attach a certificate duly attested by Chartered Accountant in the prescribed format and declaration.) :
7. Whether you have imported any goods under the above notification in the past during the current financial year. :
 - i) If so, details thereof viz BE No.& its date etc. (Please use separate sheet, if necessary)
 - ii) Please mention total CIF amount and attach details on separate sheet
8. Processing charges for the Application : DD No.....
Date

We, M/s _____ do hereby, solemnly declare that all the above mentioned statements / information is true and correct to the best of my knowledge and belief and we further declare that the above mentioned imported material would be used for manufacturing of handicrafts items for export purposes. We would also maintain all necessary records in the ledger format of Appendix - 18 and produce, if necessary on requisition of the concerned authorities / Export Promotion Council for Handicrafts. In case, any of the above statements / information is found incorrect / wrong, my registration / membership is liable to be cancelled with the EPCH and concerned authorities and EPCH is authorised to take any legal / penal action as deem fit against us.

Date : _____

SIGNATURE _____

Place: _____

Seal

(for a manufacturer exporter)

**THE AFFIDAVIT SHOULD BE ATTESTED BY EITHER OATH COMMISSIONER OR
NOTARY PUBLIC**

AFFIDAVIT

We M/s _____ at _____ do hereby solemnly affirm and declare as under:

1. That the deponent is the registered member of Export Promotion Council for Handicrafts vide registration No. _____ as manufacturer exporters of handicrafts.
2. That the deponent undertakes that the goods imported / being imported vide Invoice No. _____ dt. _____ under notification No. 12/2012-CUSTOMS dated 17/03/2012 shall be used and meant for the purposes of manufacturing of handicrafts only for further re-exports by our organization.
3. That the imported goods shall not be sold or otherwise disposed off in any manner and shall be consumed only for manufacturing purpose and the total CIF value of goods imported will not exceed 5% of FOB value of handicrafts exported during the preceding financial year and the deponent also undertakes that he will submit later on to the EPCH the details of imported goods during the current financial year provided to him.
4. That the deponent shall maintain the proper accounts of imported goods received and consumed during the financial year in the specified format of ledger i.e. Appendix-23 of the Handbook of Procedures of the Foreign Trade Policy and shall be solely responsible for any loss if any in the event of failure to comply in the terms and conditions for import of goods under notification No. 12/2012-CUSTOMS dated 17/03/2012 as amended.
5. That if it is in the notices of the custom department that the deponent is not complying the terms for imports of goods and the goods are not using consuming for manufacturing process in that event, the deponent shall be liable to make the payment of duty / penalty levied by the custom department.
6. That the deponent undertakes that if it is found that the terms & conditions are not complied by the deponent for imports of goods under notification No. 12/2012-CUSTOMS dated 17/03/2012 as amended and not consumed that imported goods for manufacturing process for re-export, that event the Export Promotion Council for Handicrafts shall have the right to cancel the membership of the deponent or also have the right to impose any other penalty deems fit & proper.

DEPONENT

VERIFICATION

Verified at New Delhi on this _____ day of _____ 201----- That the contents given in the above affidavit are true & correct to the best of my knowledge & belief. No part of it is false and nothing material has concealed therefrom.

DEPONENT

(for a merchant exporter tied-up with the supporting manufacturer)

**THE AFFIDAVIT SHOULD BE ATTESTED BY EITHER OATH COMMISSIONER OR
NOTARY PUBLIC**

AFFIDAVIT

We M/s _____ at _____ do hereby solemnly affirm and declare as under:

1. That the deponent is the registered member of Export Promotion Council for Handicrafts vide registration No. _____ as merchant exporters of handicrafts.
2. That the deponent entered in an agreement with M/s _____ (full particulars and copy of agreement enclosed) as our supporting manufacturer and we are fully responsible for the duty free imported goods being given to them for manufacturing of handicrafts items and are re-exportable by us after getting it manufactured by our supporting manufacturer .
3. That the deponent undertakes that the goods imported / being imported vide Invoice No. _____ dt. _____ under notification No. 12/2012-CUSTOMS dated 17/03/2012 shall be used and meant for the purposes of manufacturing of handicrafts only for further re-exports by our organization.
4. That the imported goods shall not be sold or otherwise disposed off in any manner and shall be consumed only for manufacturing purpose and the total CIF value of goods imported will not exceed 5% of FOB value of handicrafts exported during the preceding financial year and the deponent also undertakes that he will submit later on to the EPCH the details of imported goods during the current financial year provided to him.
5. That the deponent shall maintain the proper accounts of imported goods received and consumed during the financial year in the specified format of ledger i.e. Appendix-18 of the Hand Book of Procedures of the Foreign Trade Policy and shall be solely responsible for any loss if any in the event of failure to comply in the terms and conditions for import of goods under notification No. 12/2012-CUSTOMS dated 17/03/2012 as amended.
6. That if it is in the notices of the custom department that the deponent is not complying the terms for imports of goods and the goods are not using consuming for manufacturing process in that event, the deponent shall be liable to make the payment of duty / penalty levied by the custom department.
7. That the deponent undertakes that if it is found that the terms & conditions are not complied by the deponent for imports of goods under notification No. 12/2012-CUSTOMS dated 17/03/2012 as amended and not consumed that imported goods for manufacturing process for re-export, that event the Export Promotion Council for Handicrafts shall have the right to cancel the membership of the deponent or also have the right to impose any other penalty deems fit & proper.

DEPONENT

VERIFICATION

Verified at New Delhi on this _____ day of _____ 201---. That the contents given in the above affidavit are true & correct to the best of my knowledge & belief. No part of it is false and nothing material has concealed therefrom.

DEPONENT

EXPORT PROMOTION COUNCIL FOR HANDICRAFTS

ANNEXURE-I

EXTRACTS OF NOTN. NO. 12/2012-CUSTOMS dated 17/03/2012 as amended REG. DUTY FREE
IMPORT OF CONSUMABLES / EMBELLISHMENTS FOR HANDICRAFT ITEMS

<u>EXISTING LIST OF ITEMS</u>					
S. NO.	CHAPTER HEADING / SUB H.NO	DESCRIPTION OF GOODS	STAN - ARD RATE	ADDL. DUTY RATE	CONDITION NO
206	32, 34, 38, 83 or any other Chapter	(a) Electric parts for or fitting on electric lamp / table lamp / wall lamp / ceiling Lamp / door lamp / Window lamp / Garden lamp (b) Hinges, metal locks and back of photo frames and fittings for photo frame / box (c) Wax items for candle holder / votive/cup (d) Chemical / lacquer required for improved finish of export product (e) Motives for attachment on export product (f) Severe atmospheric corrosion inhibitor (SACI) used as rust preventive concentrate for coating on ornamental painted and unpainted Cast Iron Artware (g) Heat resistant paint used on cast iron items for ornamental fire place accessories. (h) Wood Polish materials (i) Poly films used for Shrink – wrapping and cling Wrapping of artwares”. *J) Wooden biscuit (Splints-joining accessory for wooden board) (k) Decorative paper for lamp shade (l) Sea shell, Mother of Pearl (MOP), Cattle horn and Bone Materials (m) Prints for photo frames (n) Animal hair materials for	NIL	+ NIL	15.a) The goods are imported,- i) by a manufacturer of handicrafts; ii) by a merchant exporter tied up with supporting manufacturer of handicrafts or (iii) on behalf of the said manufacturer or merchant exporter by the Export Promotion Council for Handicraft for use in the manufacture of handicrafts for export by the said manufacturers or as the case may be, the merchant exporter and the said manufacturers or as the case may be, merchant exporter is registered with the Export Promotion Council for Handicrafts,” b) The value of the goods imported does not exceed+ 5% of the FOB value of Handicrafts exported during the preceding financial year and c) The importer produces a certificate from the Export Promotion Council for Handicrafts certifying the value of exports made during the financial year mentioned in clause (b) above and also the description value and quantity of the items already imported under this notification during the current financial year.

brushes

- (o) Copper adhesive tape 1/2" or less
- (p) Adhesive Copper foil 1/8" to 1"
- (q) patina and patina bronze

- (r) Analog clock movement
- (s) Hardware brass and metal fittings for furniture
- (t) Handles/Blades for cutlery
- ** (u) Glass Sheet (Clear or Opaque or colored glass) for use with mosaic
- *** (v) Air and electric operated screw driver with hose and couplings;
- *** (w) Tool bits, for motorizer and screw driver;
- *** (x) Glue applicator;
- *** (y) Moisture measuring tools;
- *** (z) Air operated guns and tools for inserting fasteners for brads, flexi-points, pins, staples, nails and hinges;
- *** (za) Power operated mitre saw

*** Items at Sl.No. j to t, added vide notn.No.48/2002-Customs dt. 22.4.2002 and**

**** Item at Sl. No. u, added vide notn.No.131/2002 dt.28.11.2002**

***** Item at Sl. No. (v) to (za) added vide Sl. No. Xiii of Notification No. 21/2011-Customs dt. 01.03.2011**

+ Modifications did vide Notification No. 89/2004 – Customs dt. 10.9.2004.

APPENDIX – 23

REGISTER FOR MAINTENANCE OF CONSUMPTION AND STOCKS OF IMPORTED RAW MATERIALS / COMPONENTS ETC BY THE ACTUAL USERS

Sl. No.	Description of items	Receipt	Particulars of imports	Name and address of authorised source if goods obtained from any other source	BE No. and date of sale notice NO. Invoice No. and date and Gr / RR No. and date under which goods trans-ported from the port of lading or place of receiving goods to the factory site.	Date
		Open- ing bal- ance	Qty of fresh stock recei- ved			
[1]	[2]	[3]	[4]	[5]	[6]	[7]

Quantity	Issue		Consumption	
End products in which used. Batch No. also to be shown in the case of pharmaceutical units	Qty produced out of imported raw material consumed	Qty diverted to others in an authorised manner	Closing balance	Remarks
[9]	[10]	[11]	[12]	[13]

FORMAT OF CERTIFICATE OF CHARTERED ACCOUNTANT / COST AND WORKS ACCOUNTANT

I / We hereby confirm that I / We have examined the prescribed registers and also the relevant records of M/s _____ for the period _____ and hereby certify that:

- (i) M/s. _____ (full name and address of the applicant) have made the following Handicrafts exports in the preceding three licensing years:

Year	Export product	FOB value
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- (ii) The following documents / records have been furnished by the applicant and have been examined and verified by me / us namely: -
Export order / Contract, shipping bills, Bill of Lading (and / or Airways Bills / Receipts). Customs / Bank attested Invoices, Bank certificates of exports showing exports made and export proceeds realised in freely convertible currency in their own name and connected books of accounts.
- (iii) The relevant registers have been authenticated under my / our seal / signature.
- (iv) The financial information given in the above statement is in agreement with the relevant register and records; the same has been incorporated in the books of accounts maintained by the exporter; and is also true and correct.
- (v) It has been ensured that the information furnished is true and correct in all respect; no part of it is false or misleading and no relevant information has been concealed or withheld.
- (vi) Neither, I nor any of my partners / director is a partner, director, or an employee of the above-named entity or its associated concerns.
- (vii) I/We fully understand that any statement made in this certificate, if proved incorrect or false, will render me / us liable for any penal or other consequences as may be prescribed in law or otherwise warranted.
- (viii) I/We certify that M/s _____ have made exports (Directly or through third party) and has realized the foreign exchange in its own name or the third party a the case may be in the preceding three licensing years as per the details given in the annexure to this certificate.

(Signature and Stamp / Seal of the Signatory)
(Chartered Accountant / Cost & Works Accountant)

Place :	Name of the Signatory :
Date :	Full Address :
	Membership No. :
	Contact No. :
	Email :

If any of the documents or record mentioned in item (ii) of the certificate have not been maintained / furnished, examined or verified, they may please be specified below:-

- 1.
- 2.
- 3.

Note: Wherever CA certificate has been specified in any paragraph of the Policy / Handbook (Vol.1), CA / Cost sand Work Accountant Certificate may be furnished by the applicant as per the Performa given above.